

5/03/05

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR OCONEE COUNTY
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING: (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (THE "FEE AGREEMENT") BETWEEN OCONEE COUNTY, SOUTH CAROLINA ("OCONEE COUNTY") AND CG ROXANE LLC (THE "COMPANY"), PURSUANT TO WHICH FEE AGREEMENT OCONEE COUNTY SHALL COVENANT TO ACCEPT CERTAIN FEES IN LIEU OF *AD VALOREM* TAXES; (2) SPECIAL SOURCE CREDITS TO REIMBURSE THE COMPANY FOR A PORTION OF THE COSTS OF CERTAIN INFRASTRUCTURE OR REAL PROPERTY COSTS INCURRED IN CONNECTION WITH A MANUFACTURING OR COMMERCIAL ENTERPRISE SERVING THE ECONOMIC DEVELOPMENT OF OCONEE COUNTY; (3) THE BENEFITS OF A MULTI-COUNTY PARK TO BE MADE AVAILABLE TO COMPANY; AND (4) OTHER MATTERS RELATING THERETO.

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended through the date hereof (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Simplified FILOT Act"), and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, the "Special Source Act") (collectively, the "Act"); (i) to enter into agreements with certain investors to construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the "State") will be promoted by inducing industrial and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments with respect to such properties; (iii) to permit investors to claim special source credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and facilitate the grant of Special Source Credits; and

WHEREAS, CG Roxane LLC, a limited liability company organized and existing under the laws of the State of California and authorized to transact business in the State (the "Company"), is considering making a significant investment in the County through the acquisition of certain land and the construction, renovation, and equipping of certain buildings and other improvements thereon, which facilities the Company proposes to use

primarily to extract, filter, process, and bottle potable water (the "Project"). The Company anticipates that, should its plans proceed as expected, it will invest at least \$15,000,000 at the Project.

WHEREAS, the County has determined, *inter alia*, on the basis of the information supplied to it by the Company that the Project would subserve the purposes of the Act, and in consideration of the jobs and investment created by the Company, the County wishes to induce the Company to undertake the Project by offering the inducements set forth in the Inducement and Millage Rate Agreement (the "Inducement Agreement") heretofore approved by the Council by Resolution adopted April 5, 2005 (the "Inducement Resolution"); and

WHEREAS, the County and the Company have agreed to the specific terms and conditions of such arrangements set forth in that certain Fee in Lieu of Tax and Incentive Agreement between the County and the Company (the "FILOT Agreement"), which FILOT Agreement is to be dated as of May 1, 2005, or such other date as the parties may agree; and

WHEREAS, it appears that the FILOT Agreement now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the Council as follows:

Section 1. As contemplated by Section 12-44-40(TT) of the Code, the findings and determinations set forth in the Inducement Resolution are hereby ratified and confirmed.

Section 2. The County hereby agrees to enter into the FILOT Agreement with the Company, whereby the Company will agree to pay a Negotiated FILOT (as defined in the FILOT Agreement) with respect to the Project in accordance with the terms of such FILOT Agreement. The FILOT Agreement will provide, *inter alia*, the following:

(b) In order to take advantage of the Negotiated FILOT, the Company must invest not less than the statutory minimum investment of \$5,000,000 in the Project by the end of the approximately five-year period commencing with the Company's initial expenditure with respect to the Project and ending on the fifth anniversary of the end of the property tax year in which the Company places in service the first assets comprising the Project (the "Statutory Compliance Period") and the Company will by contract agree to invest not less than \$15,000,000 in the Project during the Statutory Compliance Period. Such Statutory Compliance Period is anticipated to end on the Company's fiscal year end of December 31, 2010. To encourage the Company to increase its investment in the Project, if the investment in the Project aggregates at least \$15,000,000 on or before the end of the Statutory Compliance Period, the period for completion of the Project shall automatically be extended to the tenth anniversary of the end of the property tax year in which the Company places in service the first assets comprising the Project (*i.e.*, anticipated to extend through December 31, 2015) (such Statutory Compliance Period or extended investment period, as the case may be, herein referred to as the "Investment Period"), and the County hereby consents to such

extension on these terms; provided, however, that there shall be no extension of the period for meeting the statutory investment requirement of \$5,000,000 beyond the Statutory Compliance Period. If extended, the Investment Period would be anticipated to extend through December 31, 2015.

(b) (i) The Company shall pay a FILOT calculated as provided in this Section 2(b) (the "Negotiated FILOT") for all property placed in service by the Company as part of the Project during the Investment Period. The annual Negotiated FILOT payments shall commence with respect to the property tax year in which the first assets comprising a part of the Project are placed in service and shall continue for a period of up to 20 years thereafter, provided that, if the Project is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a period of 20 years, up to a total of 25 years or, if the Investment Period is extended, up to a total of 30 years.

(ii) The Negotiated FILOT shall be determined using: (1) an assessment ratio of 6.0%; (2) a millage rate of 205 mills, which is the millage rate applicable to the Project as of June 30, 2004, and which rate shall be fixed for the entire term of the FILOT Agreement, and (3) the fair market value of the Project, determined in accordance with the Act.

Section 3. As reimbursement for the Company's investment in certain Special Source Improvements and in consideration of the \$15,000,000 investment specified herein and the anticipated employment to be created by the Project, the County agrees that the Company shall be entitled to claim Special Source Credits in an amount of twenty percent (20%) on each of the first five (5) net (after deducting, prior to application of said Credit, the one percent (1%) fee otherwise payable by the County to the partner county in the multi-county park referenced in Section 2.4 below) FILOT Payments with respect to the Project.

If the Company fails to invest or cause to be invested in the Project at least \$15,000,000 by the end of the Statutory Compliance Period, the County reserves the right to terminate or adjust the Special Source Credits thereafter accruing, if any.

In no event shall the aggregate amount of the Special Source Credits exceed the amount heretofore or hereafter expended by the Company with respect to Special Source Improvements relating to the Project.

Section 4. The County will diligently take all reasonable acts to insure that the Project will be included, and will remain, within the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act on terms which provide, for all jobs created by the Company in the County during the Investment Period, any additional jobs tax credits afforded by the laws of the State for projects located in multi-county industrial or business parks and which facilitate the Special Source Credits described herein.

Section 5. The form, provisions, terms, and conditions of the FILOT Agreement presented to this meeting and filed with the Clerk to Council be and they are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated

herein by reference as if the FILOT Agreement were set out in this Ordinance in its entirety.

Section 6. The form, terms and provisions of the Inducement Agreement heretofore entered into by the County and the Company are hereby ratified and approved, and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if the Inducement Agreement were set out in this Ordinance in its entirety.

Section 7. The FILOT Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the FILOT Agreement now before this meeting.

Section 8. The Chairman of the Council and the Clerk to County Council, for and on behalf of the County, is hereby authorized, empowered, and directed to do any and all things necessary or proper to effect the execution and delivery of the Inducement Agreement and the FILOT Agreement, the performance of all obligations of the County under and pursuant to the Inducement Agreement and the FILOT Agreement, and to carry out the transactions contemplated thereby and by this Ordinance.

Section 9. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 10. All orders, resolutions, ordinances, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

[End of Ordinance; execution page to follow.]

Enacted and approved this _____ day of May, 2005.

OCONEE COUNTY, SOUTH CAROLINA

By: _____
H. Frank Ables, Jr., Chairman of County Council
Oconee County, South Carolina

[SEAL]

Attest:

By: _____
Opal O. Green, Clerk to County Council
Oconee County, South Carolina

First Reading:	April 5, 2005
Second Reading:	April 19, 2005
Public Hearing:	May 3, 2005
Third Reading:	May 3, 2005

FFE IN LIEU OF TAX AND INCENTIVE AGREEMENT

between

OCONEE COUNTY, SOUTH CAROLINA

and

CG ROXANE LLC

Dated as of May 1, 2005

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FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

THIS FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this "Agreement"), dated as of May 1, 2005, between OCONEE COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, and CG ROXANE LLC, a limited liability company organized and existing under the laws of the State of California and authorized to transact business in the State of South Carolina (the "Company");

WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "Council"), is authorized and empowered, under and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended (the "Code"), particularly Title 12, Chapter 44 thereof (the "Simplified FILOT Act"), and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, the "Special Source Act" and collectively with the Simplified FILOT Act, the "Act"), and in order to promote the economic development of the County and surrounding areas by inducing investors to locate and/or expand industrial and commercial properties ("Economic Development Property") within the County, thereby expanding the tax base in the County and creating jobs for its citizens: (i) to enter into agreements with such investors pursuant to which such investors will make negotiated fee in lieu of *ad valorem* tax ("FILOT") payments with respect to such Economic Development Property; (ii) to permit investors to claim special source credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iii) to create, in conjunction with one or more other counties, a multi-county industrial park in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, the Company is considering significant investment in the County through the acquisition of certain land and the construction, renovation, and equipping of certain buildings and other improvements thereon, which facilities the Company proposes to use primarily to extract, filter, process, and bottle potable water (the "Project"), and the Company anticipates that, should plans proceed as expected, investment in the Project will aggregate at least \$15,000,000; and

WHEREAS, the County has determined that the Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations and in order to induce the Company to locate the Project in the County, the County adopted a Resolution on April 5, 2005, pursuant to which the County and the Company entered into an Inducement and Millage Rate Agreement ("Inducement Agreement"), whereby the Company agreed to locate the Project within the boundaries of the County and the County agreed to provide the FILOT benefits, the

Special Source Credits, and multi-county industrial park or business park benefits as described herein; and

WHEREAS, the County authorized the foregoing actions to be taken for the benefit of the Company, and ratified all prior actions taken with respect to the Project, pursuant to that certain Ordinance enacted by the Council on May 3, 2005; and

WHEREAS, the County has determined that it is in the best interest of the County to enter into this Agreement with the Company subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises; the potential jobs and investment to be created by the Company which contribute to the tax base and the economic welfare of the County; the respective representations and agreements hereinafter contained; and the sum of \$10.00 in hand, duly paid by the Company to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

[Article 1 follows on next page]

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

"Act" shall mean, collectively, the Simplified FILOT Act, the Multi-County Park Act, and the Special Source Act.

"Administration Expenses" shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including attorneys' fees at the hourly rates which are standard for legal services to the County; provided, however, that no such expense shall be considered an Administration Expense unless the County and the Company shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred and that the County shall have furnished to the Company an itemized statement of all expenses incurred; and provided, further, that nothing herein shall be construed as prohibiting the County from engaging the counsel of its choice for matters deemed necessary and prudent by the County.

"Agreement" shall mean this Fee in Lieu of Tax and Incentive Agreement as originally executed and from time to time supplemented or amended as permitted herein.

"Code" shall mean the Code of Laws of South Carolina, 1976, as amended through the date hereof unless the context clearly requires otherwise.

"Co-Investor" shall mean any Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(A)(18) and (19) of the Code, any Corporate Affiliate of the Company, any developer in a build-to-suit arrangement with respect to the Project, any lessor of equipment or other property comprising a part of the Project, and any financing entity or other third party investing in or providing funds for the Project. The Company shall notify the County in writing of the identity of any Sponsor, Sponsor Affiliate or other Co-Investor and shall, to the extent the Company and any such Co-Investor intend to extend the benefits of the Negotiated FILOT to property owned by such Co-Investor pursuant to Section 8.03 hereof, comply with any additional notice requirements, or other applicable provisions, of the Act.

"Company" shall mean CG Roxane LLC, a California limited liability company authorized to do business in the State of South Carolina, and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets permitted under Sections 7.02 or 8.01 hereof or any other assignee hereunder which is designated by the Company and approved by the County.

"*Corporate Affiliate*" shall mean any corporation, limited liability company, partnership or other Person or entity which owns all or part of the Company or which is owned in whole or in part by the Company or by any partner, shareholder or owner of the Company.

"*County*" shall mean Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

"*Council*" shall mean the governing body of the County.

"*Deficiency Payment*" shall have the meaning specified in **Section 5.01(e)** hereof.

"*Department of Revenue*" shall mean the South Carolina Department of Revenue.

"*Differential Payment*" shall have the meaning specified in **Section 5.01(c)** hereof.

"*Economic Development Property*" shall mean each item of real and tangible personal property comprising the Project which is placed in service during the Investment Period and which meets the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Code, excluding specifically any Non-Qualifying Property.

"*Event of Default*" shall mean an Event of Default, as set forth in **Section 10.01** hereof.

"*Existing Property*" shall mean property proscribed from becoming Economic Development Property under this Agreement pursuant to Section 12-44-110 of the Code, including without limitation property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) the Land; (b) property acquired or constructed by or on behalf of the Company during the Investment Period which has not been placed in service in this State prior to the commencement of the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; (c) property purchased by or on behalf of the Company during the Investment Period in a transaction other than between any of the entities specified in Section 267(b) of the Internal Revenue Code, as defined under Chapter 6 of Title 12 of the Code as of the time of the transfer, to the extent that the Company invests, or causes to be invested, at least an additional \$45,000,000 in the Project, exclusive of the property identified in this subsection (c); or (d) modifications which constitute an expansion of the real property portion of Existing Property, all as determined pursuant to Section 12-44-110 of the Code.

"*FILOT*" shall mean fee in lieu of *ad valorem* property taxes.

"*FILOT Payments*" or "*FILOT Revenues*" shall mean the payments to be made by the Company pursuant to **Section 5.01** hereof.

"*Investment Period*" shall mean the period for completion of the Project, which shall be equal to the Statutory Compliance Period plus an additional five (5) years if the Minimum

Contractual Requirement is met; provided that there shall be no extension of the period for meeting the Minimum Statutory Requirement beyond the Statutory Compliance Period, all determined as specified in Section 12-44-30(13) of the Code. If the Company satisfies the Minimum Contractual Requirement, the parties anticipate that the Investment Period as so extended will end on December 31, 2015.

"*Land*" shall mean the land upon which the Project has been or will be constructed, as described in **Exhibit A** attached hereto, as **Exhibit A** may be supplemented from time to time in accordance with the provisions hereof.

"*Minimum Contractual Requirement*" shall mean investment in the Project by any one of the Company or any Sponsor or Sponsor Affiliate of not less than \$15,000,000 prior to the end of the Statutory Compliance Period.

"*Minimum Statutory Requirement*" shall mean investment in the Project by any one of the Company or any Sponsor or Sponsor Affiliate of not less than \$5,000,000 prior to the end of the Statutory Compliance Period.

"*Multi-County Park*" shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Agreement, and any multi-county industrial or business park which includes the Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

"*Multi-County Park Act*" shall mean Title 4, Chapter 1 of the Code, as amended through the date hereof.

"*Multi-County Park Agreement*" shall mean that certain Multi-County Park Agreement between the County and Pickens County, South Carolina, dated as of _____, _____, as amended, supplemented, or replaced from time to time.

"*Multi-County Park Fee*" shall mean the fee payable by the County to Pickens County, South Carolina, or any successor thereto under the Multi-County Park Agreement.

"*Negotiated FILOT*" or "*Negotiated FILOT Payments*" shall mean the FILOT payments due pursuant to **Section 5.01** hereof with respect to that portion of the Project consisting of Economic Development Property which qualifies pursuant to the Simplified FILOT Act for the assessment ratio and negotiated millage rate described in **Section 5.01(b)(ii)** hereof.

"*Non-Qualifying Property*" shall mean that portion of the facilities located on the Land and consisting of: (i) Existing Property; (ii) except as to Replacement Property, property which the Company places in service after the end of the Investment Period; and (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Simplified FILOT Act, including without limitation property as to which the Company has terminated the Negotiated FILOT pursuant to **Section 4.03(a)(iii)** hereof.

"Person" shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

"Project" shall mean: (i) the Land and all buildings, structures, fixtures and other real property improvements constructed thereon; (ii) all machinery, equipment, furnishings and other personal property acquired by or on behalf of the Company for use on or about the Land; and (iii) any Replacement Property; provided, however, that, except as to Replacement Property, the term Project shall be deemed to include such real property improvements and personal property, whether now existing or hereafter constructed or acquired, only to the extent placed in service during the Investment Period, and the term Project shall be deemed to exclude any Existing Property or other Non-Qualifying Property.

"Property Tax Year" shall mean the annual period which is equal to the fiscal year of the Company, as the case may be, i.e., the period ending on December 31 of each year.

"Released Property" shall include Economic Development Property which is scrapped, sold, disposed of, or released from this Agreement by the Company pursuant to Section 4.03 hereof and Section 12-44-50(B) of the Code; any portion of the Economic Development Property constituting infrastructure which the Company dedicates to the public use within the meaning of Section 12-6-3420(C) of the Code; and any Economic Development Property damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

"Replacement Property" shall mean all property installed in or on the Land in substitution of, or as replacement for, any Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece replaces a single piece of the Project, but only to the extent that the value of such property may be included in the calculation of the Negotiated FILOT pursuant to Section 5.01(d) hereof and Section 12-44-60 of the Code.

"Simplified FILOT Act" shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

"Special Source Act" shall mean Section 4-1-175 of the Code, as amended through the date hereof.

"Special Source Credits" shall mean the credits described in Section 3.03 hereof.

"Special Source Improvements" shall mean any infrastructure serving the economic development of the County and any improved and unimproved real property, buildings, structural components of buildings, fixtures or other real property improvements used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County, all as set forth in the Special Source Act and shall be deemed to include initially, for purposes of this Agreement, the Land, the buildings, fixtures and other real property improvements on the Land and any additions or improvements to any of the foregoing, whether paid for by the Company or any Co-Investor directly or through lease payments.

"*Sponsor*" and "*Sponsor Affiliate*" shall mean an entity whose investment with respect to the Project will qualify for the Negotiated PILOT pursuant to **Section 8.03** hereof and Sections 12-44-30(A)(18) or (19) and Section 12-44-130 of the Code if the statutory investment requirements are met.

"*State*" shall mean the State of South Carolina.

"*Statutory Compliance Period*" shall mean the period commencing on the date of the first expenditures with respect to the Project, *i.e.*, May 5, 2004, and ending five years after the end of the Property Tax Year in which the initial phase of the Project is placed in service, all as specified in Section 12-44-30(13) of the Code. The parties anticipate that the initial phase of the Project will be placed in service in the Property Tax Year ending on December 31, 2005 and that therefore, the end of the Statutory Compliance Period will be December 31, 2010.

"*Term*" shall mean the term of this Agreement, as set forth in **Section 9.01** hereof.

"*Transfer Provisions*" shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

Section 1.02. References to Agreement. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

[End of Article I]

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by the County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the Council, the County has duly authorized the execution and delivery of this Agreement, the Negotiated FILOT Payments and Special Source Credit arrangements as set forth herein, the inclusion of the Project in the Multi-County Park, and any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby.

(b) The County has determined that the Project will subserve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

(c) This Agreement has been duly authorized, executed and delivered on behalf of the County. The authorization, execution, and delivery of this Agreement and the performance by the County of its obligations hereunder will not, to the best knowledge of the undersigned representatives of the County, conflict with or constitute a breach of, or a default under, any existing law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the County or its affairs, or any material agreement, mortgage, lease, or other instrument to which the County is subject or by which it is bound, nor, to the best knowledge of the undersigned representatives of the County, any existing law or the provisions of the Constitution of the State.

(d) To the best knowledge of the undersigned representatives of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which to the best knowledge of the undersigned representatives of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

Section 2.02 Representations and Warranties by the Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company organized and validly existing under the laws of the State of California and is authorized to transact business in the State of South Carolina; has all requisite power to enter into this Agreement and to carry out its obligations hereunder, and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is December 31 of each year, and the Company will notify the County of any changes in the fiscal year of the Company.

(b) The Company intends to operate the Project as a facility to primarily extract, filter, process, and bottle potable water.

(c) The agreements with the County with respect to the FILOT, the Special Source Credits, and the Multi-County Park were factors in inducing the Company to locate the Project within the County and the State and to invest in certain expansions and renovations at the Project site.

(d) No actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Company are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

[End of Article II]

ARTICLE III

CERTAIN UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept PILOT Payments. The County hereby agrees to accept Negotiated PILOT Payments in accordance with **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Project consisting of Economic Development Property until this Agreement expires or is sooner terminated.

Section 3.02. Excursion of Lease. The parties acknowledge that the intent of this Agreement, in part, is to afford the Company the benefits of Negotiated PILOT Payments in consideration of the Company's decision to locate the Project within the County and that this Agreement has been entered into in reliance upon the enactment of the Act. In the event that a court of competent jurisdiction holds that the Act is unconstitutional or that this Agreement or agreements similar in nature to this Agreement are invalid or unenforceable in any material respect, or should the Company determine that there is a reasonable doubt as to the validity or enforceability of this Agreement in any material respect, then at the request of the Company, the County agrees to enter into a lease purchase agreement with the Company pursuant to Section 12-44-160 of the Code, Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable; or to take such other steps as may be appropriate to extend to the Company the intended benefits of this Agreement. The Company acknowledges that, if a court of competent jurisdiction holds that all or part of the PILOT Act is unconstitutional or otherwise illegal, the PILOT Act provides that the Company must transfer the Economic Development Property to the County within 180 days following such determination in order for the Negotiated PILOT benefits to continue to apply. In such lease purchase agreement, the County, upon the conveyance of title to the Project to the County at the expense of the Company, agrees to lease the Project to the Company and to use its best, reasonable efforts to ensure that the Company receives the benefits of the Negotiated PILOT as contemplated by this Agreement.

Section 3.03. Special Source Credits.

(a) As reimbursement for the Company's investment in Special Source Improvements pursuant to **Section 4.04** hereof and in consideration of the Minimum Contractual Requirement specified herein and the anticipated employment to be created by the Project, the County agrees that the Company shall be entitled to claim annual Special Source Credits in an amount up to twenty percent (20%) of each of the first five (5) net (after deducting, prior to application of said Credit, the one percent (1%) Multi-County Park Fee otherwise payable by the County to the partner county pursuant to the Multi-County Park Agreement) PILOT payments with respect to the Project, all in accordance with the Special Source Act. In no event shall the aggregate amount of the Special Source Credits exceed the amount heretofore or hereafter expended by the Company or any Co-Investor with respect to Special Source Improvements relating to the Property. The Company shall claim such Special Source Credits by filing with the County Chairman and the County Auditor, at the time it makes its PILOT Payment, an

annual Special Source Certification (substantially in the form of **Exhibit B** hereto) showing the amount of aggregate investment in the Project and Special Source Improvements and the calculation of the Special Source Credits. The Special Source Credits shall be payable to the Company by check mailed by the County no later than thirty (30) days following receipt by the County of the annual PILOT Payment with respect to the Project and the annual Special Source Certification.

(b) THE SPECIAL SOURCE CREDITS AUTHORIZED HEREIN SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY, BUT SHALL BE AN OBLIGATION PAYABLE SOLELY AS A CREDIT AGAINST THE PILOT PAYMENTS RECEIVED BY THE COUNTY HEREUNDER WITH RESPECT TO THE PROJECT.

(c) The Company shall file with the County Chairman and the County Auditor an Aggregate Investment Certification (substantially in the form of **Exhibit B-2** hereto) stating that the aggregate investment in the Project has or has not reached, or is not anticipated to reach, the \$15,000,000 minimum investment threshold by the end of the Statutory Compliance Period. The Company may file such Aggregate Investment Certification any time prior to the end of the Statutory Compliance Period but shall file such Aggregate Investment Certification no later than the date it files with the County a copy of its first property tax return with the County Auditor and County Chairman pursuant to **Section 7.03(a)** hereof following the end of the Statutory Compliance Period. Such Aggregate Investment Certification shall be sent by certified mail to the County Chairman and the County Auditor.

If the aggregate investment in the Project does not equal or exceed the Minimum Contractual Requirement specified herein prior to the end of the Statutory Compliance Period, the Special Source Credits shall terminate and there shall be due and payable to the County an amount equal to the Special Source Credits theretofore claimed and received by the Company. The County may terminate the Special Source Credits by submitting its written notification to the Company within 180 days following the date the Company files the Aggregate Investment Certification stating that the aggregate investment in the Project has not reached, or is not anticipated to reach, the Minimum Contractual Requirement by the end of the Statutory Compliance Period. Absent fraud or manifest error in such certification, the County's right to terminate the Special Source Credits and claim a retroactive payment of Special Source Credits theretofore claimed shall expire if the County has not provided such notice to the Company within such 180 day period.

Section 3.04. Related Undertakings.

(a) The County will designate the Project as part of a Multi-County Park pursuant to the Multi-County Park Act and will, to the extent permitted by law, use its best, reasonable efforts to maintain such designation on terms which provide any additional job tax credits afforded by the laws of the State for projects located within

multi-county industrial or business parks for all jobs created by the Company during the Investment Period and which facilitate the Special Source Credit arrangements set forth herein. The County shall be responsible for payment of the Multi-County Park Fee in accordance with the terms of the Multi-County Park Agreement.

(b) The County hereby agrees to use its best efforts to assist the Company in pursuing the maximum amount of grant funds possible for construction of infrastructure which is reasonably required in connection with the Project, including, without limitation, roads, turn lanes and sufficient water and sewer capacity, without any commitment, whatsoever, on the part of the County that any such grant funds will be available. Further, the County shall render customary assistance to the Company in obtaining necessary permits required for the Project.

[End of Article III]

ARTICLE IV

INVESTMENT IN PROJECT AND SPECIAL SOURCE IMPROVEMENTS, MAINTENANCE AND MODIFICATION

Section 4.01. Acquisition by Construction and Purchase of Project.

(a) The Company hereby agrees to acquire, or cause to be acquired, the Project, as the same shall be determined from time to time by the Company, in its sole discretion, and to expend or cause to be expended upon the Cost of the Project not less than \$15,000,000 prior to the end of the Investment Period; provided, however, that the benefits provided to the Company under **Section 3.03** of this Agreement shall be subject to adjustment or termination as provided in **Section 3.03** hereof if the aggregate investment in the Project does not reach the Minimum Contractual Requirement by the end of the Statutory Compliance Period. As required by Section 12-44-30(2) of the Code, at least a portion of the assets comprising the Project shall be placed in service no later than the end of the Property Tax Year which is three years from the year in which this Agreement is executed and delivered, i.e. the Property Tax Year ending on December 31, 2008.

(b) Expenditures by Co-Investors shall, together with expenditures by the Company, count toward all investment requirements set forth in this Agreement, including to the full extent permitted by the Simplified FILOT Act, the Minimum Statutory Requirement and the Minimum Contractual Requirement. Aggregate investment shall generally be determined by reference to the Property Tax Returns of the Company and any Co-Investor pertaining to the Project and filed with respect to each Property Tax Year during the Investment Period; provided that, expenditures for publicly owned Special Source Improvements shall also count toward all investment requirements hereunder to the full extent permitted by the Simplified FILOT Act.

(c) To encourage the Company to increase its investment in the Project, the County has agreed, if the aggregate investment in the Project reaches the Minimum Contractual Requirement on or before the end of the Statutory Compliance Period, that the Investment Period shall be automatically extended by five (5) years past the end of the Statutory Compliance Period.

(d) The Company or any designated Co-Investor shall retain title to the Project throughout the Term of this Agreement, and the Company and any Co-Investor shall have full right to mortgage or encumber the Project in connection with any financing transactions.

Section 4.02. Maintenance of Project. During the Term of this Agreement, and subject to the Company's rights under **Section 4.03** hereof, the Company at its own expense will keep and maintain the Project in good operating condition.

Section 4.03. Modification of Project.

(a) The Company shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) The Company may, at its own expense, add to the Project all such real and personal property as the Company in its discretion it deems useful or desirable, including Economic Development Property qualifying for the Negotiated PILOT under **Section 5.01** hereof without any limit as to the amount thereof.

(ii) Subject to the provisions of **Section 8.01** hereof with respect to Economic Development Property, in any instance where the Company in its discretion determines that any items included in the Project, including any Economic Development Property, have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Company may remove such items or portions of the Land from the Project and sell, trade in, exchange, or otherwise dispose of them as a whole or in part without the consent of the County.

(iii) The Company may, at any time and in its discretion by written notice to the County, remove any Economic Development Property, real or personal, from the Negotiated PILOT set forth in this Agreement and retain such property for use as part of its operations in the County, and thereafter such property will be subject to *ad valorem* taxes.

(b) If the Company sells, leases, or otherwise disposes of any portion of, or adds any real property to, the Land, the Company shall deliver to the County, within 30 days thereafter, a new **Exhibit A** to this Agreement.

(c) All Economic Development Property sold, leased or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 4.04. Funding for Special Source Improvements. The Company hereby agrees to provide funding for the Special Source Improvements related to the acquisition, construction, and renovation of the Project.

[End of Article IV]

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of Ad Valorem Taxes.

(a) In accordance with the Act, the parties hereby agree that, during the Term hereof, there shall be due annually with respect to that portion of the Project constituting Economic Development Property, whether owned by the Company or by a Sponsor or Sponsor Affiliate, a Negotiated FILOT calculated as set forth in this Section, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. It is anticipated that the initial Negotiated FILOT Payment, which shall be due under current Code requirements on the January 15 following the year in which the Project is fully operational and placed into service and which the County adds the initial Economic Development Property to its tax rolls, will be due on January 15, 2007. If the Company designates any Sponsor or Sponsor Affiliates pursuant to **Section 8.03** hereof, the Company must notify the County in writing at the time of such designation as to whether the Company or the Sponsor or Sponsor Affiliate shall be primarily liable for the FILOT Payments hereunder. Unless and until such notification is received, and the County consents in writing, the Company shall be primarily liable for all FILOT Payments and other obligations due hereunder.

(b) The Company elects to calculate the Negotiated FILOT Payments in accordance with Section 12-44-50(A)(1)(b)(i) of the Code, and, subject to adjustment pursuant to paragraph (f) below for failure to meet or maintain the Minimum Statutory Requirement and to adjustment pursuant to the other provisions of this **Section 5.01**, in accordance with the following provisions:

(i) For each annual increment of investment in Economic Development Property, the annual Negotiated FILOT Payments shall be payable for a period of up to 20 years. Accordingly, if such Economic Development Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a period of 20 years, up to an aggregate of 25 years or, if the Investment Period is extended, up to an aggregate of 30 years.

(ii) The Negotiated FILOT shall be calculated using (1) an assessment ratio of 6%; (2) a millage rate of 205 mills, which is the millage rate applicable as of June 30, 2004 and which rate shall be fixed for the entire term of this Agreement, and (3) the fair market value of such Economic Development Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Code, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence).

(iii) All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five-year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code.

(iv) For purposes of calculating the Negotiated FILOT, the Economic Development Property shall not include any Released Property or Non-Qualifying Property.

(c) The Negotiated FILOT Payments are to be recalculated:

(i) to reduce such payments in the event the Company disposes of any part of the Economic Development Property within the meaning of Section 12-44-50(B) of the Code and as provided in Section 4.03(a)(ii) hereof, by the amount applicable to the Released Property;

(ii) to reduce such payments in the event that the Economic Development Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, which damage, destruction, loss, theft and/or condemnation would substantially impair the value of the Project or such portion thereof;

(iii) to increase such payments in the event the Company adds any Economic Development Property (other than Replacement Property) to the Project; or

(iv) to adjust such payments if the Company elects to convert any portion of the Economic Development Property from the Negotiated FILOT to *ad valorem* taxes, as permitted by Section 4.03(a)(iii).

(d) Upon the Company's installation of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments, subject to the following rules, to the fullest extent allowed by law:

(i) Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the Negotiated FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the

income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the Negotiated FILOT Payments for the remaining portion of the twenty-year period applicable to the Released Property.

(ii) The Company shall maintain records sufficient to identify all Replacement Property, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate and assessment ratio provided on the Released Property.

(e) In the event that, for any reason, the Simplified FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder with respect to the portion of the Economic Development Property affected by such circumstances *ad valorem* taxes and that, to the extent permitted by law, the Company shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive all other tax credits which would be due if the Company were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a "Deficiency Payment").

(f)

(i) In the event that the investment in the Project is insufficient to satisfy the Minimum Statutory Requirement, the Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, calculated as set forth in paragraph (e) above, and a Deficiency Payment shall be due and payable with respect to such property. To the extent necessary to collect a Deficiency Payment under this clause (i) due to failure to satisfy the Minimum Statutory Requirement, Section

12-44-140(D) of the Code provides that any statute of limitations that might apply pursuant to Section 12-54-85 of the Code is suspended.

(ii) In the event that the Company's investment in the Project based on an income tax basis without regard to depreciation falls below the Minimum Statutory Requirement, the Project shall thereafter be subject to *ad valorem* taxes, calculated as set forth in paragraph (e) above.

(iii) In accordance with the provisions of Sections 4.01(b) and 8.03 hereof, except for Existing Property, the fair market value of all property utilized by the Company at the Project site, whether owned by the Company outright or utilized by the Company pursuant to any financing agreement or any lease or other arrangement with any Co-Investor and whether or not subject to this Agreement, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Act.

(g) Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under this Section 5.01 as a Deficiency Payment or other retroactive payment shall be paid within one hundred eighty (180) days following receipt by the Company of notice from the County that there has been a final determination that such a Deficiency Payment or other retroactive payment is due; provided, however, that nothing herein shall be construed as limiting the right of the Company to contest the application of any such Deficiency Payment.

[End of Article V]

ARTICLE VI

PAYMENT OF EXPENSES BY COMPANY

Section 6.01. Payment of Administration Expenses. The Company will reimburse the County from time to time for its Administration Expenses promptly upon written request therefor, but in no event later than 60 days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges that it imposes no charges in the nature of impact fees or recurring fees in connection with the incentives authorized by this Agreement, and, aside from the attorneys' fees, the County anticipates no out of pocket expenses in connection with this Agreement and the transactions authorized hereby.

Section 6.02. Indemnification

(a) Except as provided in paragraph (b) below, the Company shall indemnify and save the County, its past, present, and future employees, elected officials, officers and agents (the "Indemnified Parties") harmless against and from all claims by or on behalf of any Person arising from the County's performance of its obligations under this Agreement. If such claim shall be made against any Indemnified Party, then subject to the provisions of paragraph (b) below, the Company shall defend them in any such action or proceeding.

(b) Notwithstanding anything herein to the contrary, the Company shall not be required to indemnify any Person against any claim or liability (i) occasioned by acts of such Person which are unrelated to the performance of the County's obligations hereunder; (ii) resulting from such Person's own negligence, bad faith, fraud, deceit or willful misconduct; (iii) for which the Company was not given the reasonable opportunity to contest; or (iv) to the extent such claim or liability is covered by insurance pertaining to the loss sustained. An Indemnified Party may not avail itself of the indemnification provided in this Section 6.02 unless it provides the Company with prompt notice of the existence or threat of any such claim or liability, including without limitation copies of any citations, orders, fines, charges, remediation requests or other claims or threats of claims, in order to afford the Company reasonable time in which to defend against such claim. Upon such notice, the Company shall resist or defend against any such claim, action or proceeding at its expense, using counsel of its choice. The Company shall be entitled to manage and control the defense of or response to any claim, charge, lawsuit, regulatory proceeding or other action, for itself and the Indemnified Parties, provided that the Company shall not be entitled to settle any matter at the separate expense or liability of any Indemnified Party without the consent of such Indemnified Party. To the extent that any Indemnified Party desires to use separate counsel for any reason other than a conflict of interest, such Indemnified Party shall be responsible for its independent legal fees.

Section 6.03. Defaulted Payments. In the event the Company should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Company until the amount in default shall have been fully paid. If any such default relates to its respective obligations to make PILOT Payments hereunder, the Company agrees to pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes, together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Code.

[End of Article VI]

ARTICLE VII

PARTICULAR COVENANTS AND AGREEMENTS

Section 7.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Company shall use the Project as it deems fit for any lawful purpose.

Section 7.02. Maintenance of Existence. Unless the County shall consent otherwise, which consent shall not be unreasonably withheld, the Company covenants that it will maintain its separate existence and will not dissolve or consolidate with, merge into or transfer, or otherwise dispose of substantially all of its property to any other entity or permit one or more other entities to consolidate with or merge into it or purchase substantially all of its property (except, in either case, where the resulting, surviving, or transferee entity is the Company or an Corporate Affiliate of the Company, as to which such consolidation, merger, or transfer the County hereby consents). The resulting, surviving or transferee entity, if not the Company, shall, within sixty (60) days following any such merger, consolidation or transfer, provide the County with written notification of such event together with a copy of the written instrument by which such resulting, surviving, or transferee entity has assumed the rights and obligations of the Company under this Agreement.

The Company acknowledges that, except as permitted herein, transfers of this Agreement or Economic Development Property may cause the Economic Development Property to become ineligible for a Negotiated PILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 7.03. Records and Reports. The Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project which are placed in service in each Property Tax Year during the Investment Period, the amount of investment with respect thereto, and its computations of all Negotiated PILOT Payments made hereunder and to comply with all reporting requirements of the State and the County applicable to Economic Development Property under the Act, including without limitation the reports required by Section 12-44-90 of the Code (collectively, "Filings"); provided, however, that the parties hereby waive in its entirety the requirement under Section 12-44-55 of the Code for a recapitulation of the terms of this Agreement. Specifically, the Company shall provide the following:

(a) Each year during the Term hereof, the Company shall deliver to the County Auditor and the County Assessor a copy of its most recent annual filings made with the Department of Revenue with respect to the Project at the same time as delivery thereof to the Department of Revenue.

(b) The Company shall cause a copy of this Agreement, as well as a copy of the completed form PT-443 required by the Department of Revenue, to be filed within thirty (30) days after the date of execution and delivery hereof with the County Auditor and the County Assessor of the County and of each county which is a party to the Multi-County Park Agreement, and with the Department of Revenue and shall update such

Form PI-443 from time to time to the extent that the information therein is no longer accurate.

Notwithstanding any other provision of this Section, the Company may, by clear, written designation, conspicuously marked, designate with respect to any Filings delivered to the County segments thereof that the Company believes contain proprietary, confidential, or trade secret matters. The County shall comply with all reasonable, written requests made by the Company with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not knowingly and voluntarily release information, which has been designated as confidential or proprietary by the Company.

[End of Article VII]

ARTICLE VIII

FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS; SPONSORS AND SPONSOR AFFILIATES

Section 8.01. Conveyance of Liens and Interests; Assignment. The Company may at any time (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Economic Development Property to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Economic Development Property, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, Nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such Economic Development Property, as long as the transferee in any such arrangement leases the Economic Development Property in question to the Company or any Sponsor, or operates such assets for the Company or any Sponsor, or is leasing such the Economic Development Property in question from the Company or any Sponsor. In order to preserve the benefits of the Negotiated FILOT hereunder with respect to property so transferred: (i) except in connection with any transfer to a Corporate Affiliate of the Company, whose federal tax return was filed on a consolidated basis with that of the Company immediately prior to such transfer, or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company shall first obtain the written consent of the County; (ii) except where a financing entity which is the income tax owner of all or part of the Economic Development Property, is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company hereunder, or where the County consents in writing or where the transfer relates to Released Property pursuant to Section 4.03 hereof, no such transfer shall affect or reduce any of the obligations of the Company hereunder; (iii) to the extent that the transferee or financing entity shall become obligated to make Negotiated FILOT Payments hereunder, the transferee shall assume the then current basis of the Company (or other income tax owner) in the Economic Development Property transferred; (iv) the Company or the transferee or financing entity shall, within 60 days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (v) the Company and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent where required herein, and at the expense of the Company, the County agrees to execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company under this Agreement and/or any release of the Company pursuant to this Section 8.01.

The Company acknowledges that such a transfer of an interest under this Agreement or in the Economic Development Property may cause all or part of the Economic Development

Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 8.02. Access. In lieu of and/or in addition to any leasing or subleasing by the Company pursuant to **Section 8.01**, the Company may, without any approval by the County, grant such lawful rights of access to the Land and the facilities thereon as the Company may decide in its sole discretion.

Section 8.03. Sponsors and Sponsor Affiliates. The County hereby authorizes the Company to designate from time to time Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(18) or (19), respectively, and Section 12-44-130 of the Code, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Corporate Affiliates of the Company or other Persons described in **Section 8.01(b)** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Sections 12-44-30(18) or (19) and Section 12-44-130 of the Code must be approved by Resolution of the County Council. To the extent that a Sponsor or Sponsor Affiliate invests an amount equal to the Minimum Statutory Requirement at the Project prior to the end of the Statutory Compliance Period, the investment by such Sponsor or Sponsor Affiliate shall qualify for the Negotiated FILOT payable under **Section 5.01** hereof in accordance with Section 12-44-30(18) of the Code. To the extent that the aggregate investment in the Project prior to the end of the Statutory Compliance Period by the Company, all Sponsors and Sponsor Affiliates and other Co-Investors exceeds the Minimum Contractual Requirement as provided in Section 12-44-30(18) of the Code, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the Negotiated FILOT pursuant to **Section 5.01** of this Agreement regardless of whether each such entity invested amounts equal to the Statutory Minimum Requirement. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate(s) designated within ninety days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service assets to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Code.

Section 8.04. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge that the County's right to receive FILOT Revenues hereunder shall have first lien status with respect to the Economic Development Property pursuant to Section 12-44-90(E) of the Code and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad-valorem* property taxes.

[End of Article VIII]

ARTICLE IX

TERM; TERMINATION

Section 9.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executes this Agreement, and ending at midnight on the day the last Negotiated FILOT Payment is made hereunder.

Section 9.02. Termination. The County and the Company may agree to terminate this Agreement at any time, or the Company, may, at its option, terminate this Agreement at any time, in which event the Project shall be subject to *ad valorem* taxes from the date of termination. This Agreement shall automatically terminate if the Company fails to meet the Minimum Statutory Requirement, in which event the Project shall be subject retroactively to *ad valorem* taxes as provided in Section 5.01(f) hereof and any amounts due to the County as a result thereof shall be due and payable as provided in Section 5.01(g) hereof. Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for such retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights as it would have with respect to *ad valorem* taxes, and the County's rights owing hereunder at the time of such termination shall survive any such termination.

[End of Article IX]

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES

Section 10.01. Events of Default by the Company. Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Company:

(a) if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within 30 days following receipt of written notice of such default from the County; or

(b) if default shall be made by the Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (a), and such default shall continue for ninety (90) days after the County shall have given the Company, as the case may be, written notice of such default; provided the County may, in its discretion, grant the Company a longer period of time as necessary to cure such default if the Company proceeds with due diligence to cure such default; and provided further, that no Event of Default shall exist under this paragraph (b) during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Company, as the case may be, has contested the occurrence of such default.

The Company's failure to meet any minimum contractual investment requirements set forth herein shall not be deemed to be an Event of Default under this Agreement, but may terminate certain benefits hereunder or obligate the Company to make certain additional payments to the County, all as set forth in Sections 3.03, 4.01 and 5.01(f) hereof.

Section 10.02. Remedies on Event of Default by the Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies:

(a) terminate this Agreement by delivery of written notice to the Company not less than 60 days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Company pertaining to the construction, acquisition, or maintenance of the Project or calculation of the Negotiated FILOT pursuant hereto as provided in Section 7.03 hereof; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County's rights hereunder, it being the express intent of the parties that the County, without limitation, shall have the same remedies available by law to collect FILOT Payments as if they were delinquent *ad valorem* tax payments.

Section 10.03, Application of Monies upon Enforcement of Remedies against Company. Any monies received by the County upon enforcement of its rights hereunder shall be applied as follows: first, to the reasonable legal fees and costs associated with such enforcement proceedings; second, to pay Administration Expenses; and third, to pay the Negotiated FILOT in accordance with Section 5.01 hereof.

Section 10.04, Default by the County. Upon the default of the County in the performance of any of its obligations hereunder, the Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

[End of Article X]

ARTICLE XI

MISCELLANEOUS

Section 11.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Company provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers, and remedies are sought to be enforced; and the exercise by the County or by the Company of any one or more of the rights, powers, or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company of any or all such other rights, powers, or remedies.

Section 11.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Sponsor or Sponsor Affiliates designated pursuant to Section 8.03 hereof and their respective successors and assigns as permitted hereunder.

Section 11.03. Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid, or via facsimile transmission or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Oconee County
Attn.: County Chairman
415 South Pine Street
Walhalla, South Carolina 29691
Phone: 864-718-1023
Fax: 864-718-1024
Email: ogreen@oconeesc.com

(b) As to the Company:

CG Roxane LLC
Attn.: Rick Moore
1630 Kellogg Drive
Weed, California 96094
Phone: 530-938-1831
Fax: 530-938-1848
Email: rickmgr@thegrid.net

(c) with a copy (which shall not constitute notice) to:

Laurie A. Becker, Esq.
Nexsen Pruet, LLC
1441 Main Street, Suite 1500
Columbia, South Carolina 29201
Phone: 803-771-8900
Fax: 803-253-8277
Email: lbecker@nexsenpruet.com

Section 11.04. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 11.05. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 11.06. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 11.07. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 11.08. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 11.09. Amendments. Subject to the limitations set forth in Section 12-44-40(T)(2) of the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 11.10. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 11.11. Further Proceedings. It is intended by the parties that any action to be taken hereinafter by the County pursuant to the express provisions of this Agreement may be undertaken by the County Administrator and/or Chairman of the Council without necessity of

further proceedings. To the extent that additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

Section 11.12. Limited Obligation of the County with Respect to Project. THE PROJECT SHALL GIVE RISE TO NO PECUNIARY LIABILITY OF THE COUNTY OR ANY INCORPORATED MUNICIPALITY NOR TO ANY CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER.

[End of Article XI]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Fee in Lien of Tax and Incentive Agreement to be effective as of the date first written above.

OCONEE COUNTY, SOUTH CAROLINA

By:

H. Frank Ables, Jr., Chairman, County Council
Oconee County, South Carolina

[SEAL]

Attest:

By:

Opal O. Green, Clerk to County Council
Oconee County, South Carolina

CG ROXANE LLC

By: _____
Name: _____
Title: _____

EXHIBIT A
LEGAL DESCRIPTION

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Oconee, in the Keowee Township, containing a total 3.578 acres, more or less, being more fully described as Tract A and Tract B on a plat of survey by R. Jay Cooper, PE & LS #4682 dated August 18, 1999 and recorded in the Office of the Clerk of Court for Oconee County in Plat Book A713, at page 5, more particularly described as follows:

COMMENCING at a point in the southeasterly intersection of Wander Road and Sunrise Drive; thence running in an easterly direction along Sunrise Drive a distance of 218 to the Point of Beginning, from said Point of Beginning the following courses and distances: N81°31'21" E 163.43 feet to a nail; N71°06'30"E 46.06 feet to a nail; N62°33'57"E 45.99 feet to a nail; N55°02'18"E 38.58 feet to a nail; N52°02'26"E 46.12 feet to a nail; thence leaving the southerly right of way of Sunrise Drive and running S51°37'49"E 51.39 feet to an iron pin found (5/8" pipe); S51°44'49"E 256.22 feet to an iron pin found (1 1/4" pipe); S33°16'02"E 210.96 feet to an iron pin set (1/2" rebar); S45°40'08"W 128.39 feet to an iron pin set (1/2" rebar); S71°26'08"W 127.24 feet to an iron pin found (1/2" rebar); N49°53'23"W 599.87 feet to an iron pin found (1/2" rebar) and the true Point of Beginning.

TMS# : 076-00-01-002

and

ALL that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Oconee, Salem School District No. 42, containing a total acreage of 41.45 acres as is more fully shown on a boundary survey prepared for R. Larry Hinkle, prepared by Scott M. Sylvester, R.L.S. No. 8836 and dated April 17, 1989 having the following metes and bounds, to wit:

BEGINNING at a point in the center of S.C. Highway No. 171 in the line of property now or formerly of O. M. White and running thence along the line of property now or formerly of O. M. White S49°25'27"E 31.86 feet to an iron pin on the southeastern side of S.C. Highway No. 171; running thence still with the line of property now or formerly of O. M. White S49°25'27"E 347.34 feet to a rock at the joint corner of the property now or formerly of O. M. White and the U.S. Forest Service; running thence with the line of property of U.S. Forest Service S37°54'35"W 1,128.44 feet to an iron pin; running thence N74°13'11"W 55.05 feet to a nail in the center of S.C. Highway No. 171; running thence N74°13'11"W 33.00 feet to an iron pin on the western side of said S.C. Highway No. 171; thence continuing N74°13'11"W 655.76 feet to a 24" chestnut stump; running thence still with the line of property of U.S. Forest Service

Exhibit A-1

N27°10'34"W 941.90 feet to a 40" white pine stump; running thence N26°30'51"E 45.20 feet to a 24" poplar stump; running thence N57°06'31"E 912.11 feet to a rock; running thence S87°05'17"E 491.46 feet to a rock at the corner of property of U.S. Forest Service and property now or formerly of O. M. White; running thence along the line of property now or formerly of O. M. White S24°09'48"E 318.70 feet to a rock; running thence S49°25'27"E 156.49 feet to an iron pin on the northwestern side of S.C. Highway No. 171; thence continuing S49°25'27"E 33.00 feet to the center of S.C. Highway No. 171, the Point of BEGINNING.

TMS#: 015-00-01-001

EXHIBIT B-1
CERTIFICATION OF INVESTMENT FOR SPECIAL SOURCE CREDITS

Reference is made to that certain Fee in Lieu of Tax and Incentive Agreement dated as of May 1, 2005 (the "Agreement") between CG Roxane LLC (the "Company") and Oconee County, South Carolina (the "County"). Each capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

In accordance with Section 3.03 of the Agreement, the undersigned authorized officer of the Company, certifies to the County as follows:

1. The Statutory Compliance Period, during which the Company and any Co-Investors must have invested in the Project in the aggregate an amount equal to the Minimum Contractual Requirement (as defined in the Agreement) in order to qualify for Special Source Credits, [ends/ended] on December 31, 2010.

2. [Insert either (a) or (b) below, as applicable:

(a) [The Statutory Compliance Period has not yet elapsed. To date, the Company and all Co-Investors have invested in the Project in the aggregate \$ _____ (without regard to depreciation), and the Company anticipates that the aggregate investment in the Project will reach the Minimum Contractual Requirement prior to the end of the Statutory Compliance Period.]

or

(b) [The Company and all Co-Investors have invested in the Project in the aggregate an amount equal to the Minimum Contractual Requirement prior to the end of the Statutory Compliance Period] OR [The County has waived such Minimum Contractual Requirement.]

3. The Company is entitled to claim Special Source Credits against the first five (5) FILOT payments with respect to the Project, commencing with the FILOT payment due on January 15, 2007 and ending with the FILOT Payment due on January 15, 2012.

4. The Company and all Co-Investors have to date expended in the aggregate (without regard to depreciation) not less than \$ _____ upon Special Source Improvements ("Reimbursable Costs"), and the Company has heretofore claimed an aggregate of \$ _____ in Special Source Credits ("Prior Credits"), leaving \$ _____ in funding for Special Source Improvements not heretofore reimbursed through Special Source Credits ("Remaining Reimbursable Costs").

5. The invoices for FILOT payments for tax year _____ provided by the County Auditor specifies that the FILOT Payments due with respect to the Project from the Company, and all other Co-Investors on January 15, 20 _____ total \$ _____.

Exhibit B-1-1

SP0011766630.2.AGR (S.IN) 06/07/2008

6. The Company is entitled to a Special Source Credit calculated as follows:

Total FILOT Payments due with respect to the Project..... \$ _____
less 1% payable to Pickens, \$ _____ equals..... \$ _____
x 30% Credit = Potential Credit of..... \$ _____
less..... \$ _____
(Excess, if any, of Potential Credit \$ _____ over
Remaining Reimbursable Costs of \$ _____)
= Allowable Special Source Credit of..... \$ _____

7. The amount due from the County to the Company on May 15, 20____ as an allowable Special Source Credit, is \$ _____. The Company has deducted such amount from the FILOT Payment accompanying this certificate.

IN WITNESS WHEREOF, I have executed this Certificate to be effective as of the _____ day of _____, 20____.

CG ROXANE LLC

By: _____
Name: _____
Its: _____

EXHIBIT B-2
AGGREGATE INVESTMENT CERTIFICATE

Reference is made to that certain Fee In Lieu of Tax and Incentive Agreement dated as of May 1, 2005 (the "Agreement") between CG Roxane LLC (the "Company") and Oconee County, South Carolina (the "County"). Each capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

In accordance with Section 3.03 of the Agreement, the undersigned authorized officer of the Company certifies to the County as follows:

1. The Statutory Compliance Period, during which the Company and any Co-Investors must have invested in the Project in the aggregate an amount equal to the Minimum Contractual Requirement (as defined in the Agreement) in order to qualify for Special Source Credits, [ends/ended] on December 31, 2010.

2. [Insert either (a) or (b) below, as applicable:]

(a) [The Company and all Co-Investors invested the Minimum Contractual Requirement in the Project prior to the end of the Statutory Compliance Period. In accordance with Section 3.03 of the Agreement, the Company is entitled to claim Special Source Credits against the first five (5) FILOT payments with respect to the Project, commencing with the FILOT payment due on January 15, 2007 and ending with the FILOT Payment due on January 15, 2012. If the County determines to challenge the claim by the Company to Special Source Credits, Section 3.03 of the Agreement provides that the County must notify the Company within 180 days following receipt of this Aggregate Investment Certificate that it is exercising its right to terminate the Special Source Credits and require payment to the County of an amount equal to all Special Source Credits theretofore claimed. Absent such notification within such 180 day period, the Company's rights under the Agreement to claim Special Source Credits shall continue without modification.]

or

(b) [As of the end of the Statutory Compliance Period, the Company and all Co-Investors invested in the aggregate less than the Minimum Contractual Requirement in the Project] [OR] [As of the date hereof, the Company does not anticipate that the aggregate investment in the Project will reach the Minimum Contractual Requirement prior to the end of the Statutory Compliance Period]. To date, the Company has claimed an aggregate of \$ _____ in Special Source Credits. In accordance with Section 3.03 of the Agreement, the County has the right to terminate the Special Source Credits and require payment to the County of an amount equal to all Special Source Credits theretofore claimed under such circumstances. Section 3.03 of the Agreement provides that the County must notify the Company within 180 days following receipt of this Aggregate Investment Certificate that it is exercising its right to terminate the Special Source Credits and claim payment of an amount equal to the Special Source Credits theretofore claimed. Absent such notification within such

180 day period, the Company's rights under the Agreement to claim Special Source Credits shall continue without modification.]

IN WITNESS WHEREOF, I have executed this Certificate to be effective as of the _____ day of _____, 20____.

CG ROXANE LLC

By: _____

Name: _____

Its: _____

PUBLISHER'S AFFIDAVIT

STATE OF SOUTH CAROLINA,
COUNTY OF OCONEE

IN RE: Notice of Public Hearing - Oconee
County Council - May 3, 2005

BEFORE ME, the undersigned, a Notary Public for the State and County above named, this day, personally came Joni Weerheim, who being first duly sworn, according to law, says that she is the Publisher of the DAILY JOURNAL, a daily newspaper (Tuesday through Saturday) published at Seneca, in said County and State, and that the insert (of which the annexed is a true copy) was inserted in said paper on the 13th day of April, 20 05 and 0 day(s) thereafter and that the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

SUBSCRIBED and sworn to before me

(Signed)



this 13th day of April,

A.D. 20 05,


Notary Public for South Carolina

My commission expires: 10/29/08

NOTICE OF PUBLIC HEARING
DOONEE COUNTY
SOUTH CAROLINA

NOTICE IS HEREBY GIVEN that a public hearing will be held by the County Council of Doonee County, South Carolina (the "County"), on Tuesday, May 3, 2005, at 7:00 p.m., in the County Council Chambers located in the Administrative Office, 415 South Pine Street, Walhalla, South Carolina.

The purpose of such public hearing is to receive comments regarding an ordinance providing for: (i) a Fee in Lieu of Tax and Incentive Agreement ("Fee Agreement") to be entered into between the County and CG Flowase LLC (the "Company"), pursuant to which Fee Agreement the Company will pay to the County registered fees in lieu of ad valorem taxes with regard to the acquisition, construction, renovation and equipping of a facility located in Slem, South Carolina, to be used primarily by the Company to extract, filter, process and bottle potable water (the "Project"); (ii) special source credits to reimburse the Company for a portion of the costs of certain infrastructure or real property costs incurred in connection with such Project; (iii) the benefits of a multi-county industrial or business park to be made available to the Company; and (iv) certain other matters related thereto.

At the public hearing all taxpayers and residents of the County and other interested persons who appear will be given an opportunity to express their views for or against the ordinance.

DOONEE COUNTY,
SOUTH CAROLINA

By: H. Frank Ables, Jr., Chairman

**Illustration of Fee-In-Lieu of Property Tax
Project CG
Geonee County**

5% 20-Year Fee, Locked Millage, Normal Fee Schedule

Year	ESTIMATED FEE \$/HECTARE Yr 1 Invest 11,200,000	Yr 2 Invest 1,800,000	Total Taxes with Fee	Total Taxes without Fee	Total Savings with Fee	Special Source Revenue Credit 20% - 5 Years
1	\$128,260		\$128,260	\$150,572	\$24,313	\$23,252
2	\$114,759	\$42,275	\$157,034	\$188,146	\$32,111	\$31,407
3	\$103,259	\$37,810	\$141,069	\$171,815	\$30,546	\$29,214
4	\$91,759	\$32,345	\$125,103	\$155,714	\$28,911	\$28,021
5	\$80,258	\$27,880	\$109,138	\$139,438	\$28,300	\$27,828
6	\$68,757	\$24,415	\$93,173	\$123,065	\$28,892	
7	\$57,257	\$19,950	\$77,207	\$106,825	\$28,217	
8	\$45,756	\$15,485	\$61,242	\$90,604	\$28,862	
9	\$43,685	\$11,020	\$54,686	\$74,380	\$28,844	
10	\$43,685	\$10,209	\$53,874	\$73,112	\$28,239	
11	\$43,685	\$10,209	\$53,874	\$71,143	\$26,269	
12	\$43,685	\$10,209	\$53,874	\$70,186	\$26,311	
13	\$43,685	\$10,209	\$53,874	\$69,237	\$26,369	
14	\$43,685	\$10,209	\$53,874	\$68,299	\$26,425	
15	\$43,685	\$10,209	\$53,874	\$67,372	\$26,498	
16	\$43,685	\$10,209	\$53,874	\$66,456	\$26,582	
17	\$43,685	\$10,209	\$53,874	\$65,550	\$26,676	
18	\$43,685	\$10,209	\$53,874	\$64,655	\$26,782	
19	\$43,685	\$10,209	\$53,874	\$63,772	\$26,896	
20	\$43,685	\$10,209	\$53,874	\$62,900	\$27,026	
21		\$10,209	\$103,448	\$118,336	\$11,581	
TOTALS	\$1,212,042	\$335,692	\$1,840,973	\$2,627,227	\$986,254	\$131,721
\$	11,500,000 Double V&T			0.2000 Village Rate		
\$	5,000,000 Fee-0.70%			0.0655 County Authority		
\$	15,000,000 Total Investment			1.00% Millage Growth Rate		



South Carolina
Department of Commerce

Strategic Advantages for Project CG Roxane
In Oconee County South Carolina

South Carolina
Department of Commerce

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SUMMARY OF POTENTIAL INCENTIVES to Project CG Roxane

South Carolina offers an impressive array of incentives that reduces the cost of doing business in the state. The incentives illustrated in this document are based on these assumptions about Project CG Roxane's investment in Oconee County:

- \$15 million capital investment — \$3.2 million in real property (land and building) and \$11.8 million in personal property (machinery and equipment).
- 24 new jobs.

Summary of Potential Incentives
Project CG Roxane

Incentive Type	Availability	Incentive Value
<u>STATE INCENTIVES</u>		
<u>Credits</u>		
Corporate Income Tax Jobs Tax Credit	5 Years	\$420,000
<u>Exemptions</u>		
Sales Tax	Ongoing	\$590,000
<u>LOCAL INCENTIVES</u>		
<u>Property Tax Incentives</u>		
Fee-In-Lieu of Property Tax	20 Years	\$986,254
Special Source Revenue Credit	5 Years	\$131,721
Total Value of All Incentives		\$2,127,975

Please note, the incentives presented in this report are performance based and will increase or decrease in direct proportion with jobs, wages, and/or actual investments. The South Carolina Department of Commerce is not authorized statutory power to offer definitive tax commitments - only the South Carolina Department of Revenue and Taxation, the local elected county council, and the South Carolina Coordinating Council for Economic Development have the authority to do so under South Carolina law. This synopsis should only be used by the company to assist in their evaluation of South Carolina taxes and incentives. Assumptions underlying the analysis are identified and should be taken into account by the company.

CORPORATE INCOME TAXES – LOWEST IN THE SOUTHEAST

Project CG Roxane's state corporate income tax is based primarily on federal gross and taxable income. Companies engaged in multi-state activities will only pay taxes on the income derived from business activity conducted in South Carolina.

As the graph on the right illustrates, South Carolina has the lowest corporate income tax in the Southeast.

Calculating Corporate Income – The First Step in Lowering Tax Liability

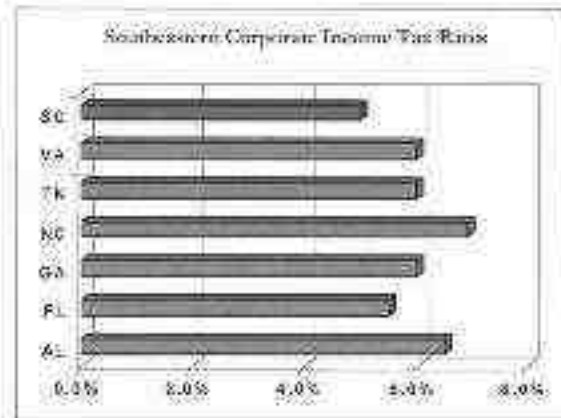
The first step to maintaining low corporate income tax liabilities is the state's formula for calculating corporate income. Project CG Roxane's annual corporate income is based on the following:

- Income allocated to South Carolina operations (interest, dividends, royalties, rents, property sale gains and losses, and personal services income); and
- Income apportioned to the operations (based on weighted payroll, property, and sales factors). South Carolina double weighting of sales reduces the amount of corporate income most companies apportion to the state.

A 6 percent corporate income tax rate is applied to the sum of these incomes. The resulting figure is the company's state corporate income taxes.

Corporate Franchise Tax and Licensing Fee

All companies must pay an annual corporate franchise tax. The rate is one mill (\$0.001) per dollar of a proportion of total paid-in-capital and paid-in-surplus (earned surplus is not included), plus an annual \$15 license fee. For multi-state corporations, the license fee is determined by apportionment in the same manner employed in computing apportioned corporate income.



CORPORATE INCOME TAX CREDITS

Jobs Tax Credits

By creating new jobs in South Carolina, Project CG Roxane is eligible for a tax credit against annual corporate income tax liability. The value of these credits is determined by the development tier of the county. Oconee County is a Tier 4 county, providing an annual credit of \$2,500 per job. Oconee County has agreed to designate the site as a "multi-county industrial park." This designation allows Project CG Roxane to take advantage of an additional \$1,000 per net new job — meaning Jobs Tax Credits of \$3,500 are available.

The credit is available for a five-year period beginning with Year 2 (Year 1 is used to establish the created job levels). Credits can be used to offset Project CG Roxane's annual state corporate income tax liability by up to 50 percent. Unused credits can be carried forward for up to 16 years. To be eligible for Jobs Tax Credits, Project CG Roxane must create an average of 18 net new jobs at the facility in one year.

The following table illustrates the value of Jobs Tax Credits assuming creation of 24 net new jobs.

Illustration of Estimated Jobs Tax Credits

Project CG Roxane

Oconee County

Year	Credit	Number of Job Credits	Annual Total
1		Establish Qualification for Credit	
2	\$3,500	24	\$84,000
3	\$3,500	24	\$84,000
4	\$3,500	24	\$84,000
5	\$3,500	24	\$84,000
6	\$3,500	24	\$84,000
Total Value			\$420,000

Please note, the number of new jobs is estimated as the increase in average monthly employment from one year to the next. Should the number of jobs created also increase or decrease, the total credits will likewise vary.

LOCAL PROPERTY TAXES

Project CG Roxane's property taxes are only levied by the local (county and/or city) government. Unlike some states, South Carolina exempts all *inventories* (raw materials, work-in-progress, and finished goods), *intangible property*, and *pollution control equipment* from property taxation. Three factors are used to determine property taxes:

- **Depreciation:** as a manufacturer, Project CG Roxane's personal property (machinery, equipment, etc.) is allowed to depreciate annually (once it is placed in service) at a rate established by state law. Generally, this rate is 11 percent and is depreciated to a residual level of 10 percent of the original property value.
- **Assessment:** as a manufacturer, Project CG Roxane's real and personal property is assessed at 19.5 percent of fair market value.
- **Millage Rate:** the local millage rate is applied to the assessed value of real and personal property. A mill is equal to \$0.001.

OFFSETTING PROPERTY TAX LIABILITY

To offset property tax liability, Project CG Roxane may take advantage of one of two potential incentive programs. Depending upon the total investment, Project CG Roxane may qualify for either a five-year abatement of a portion of property tax or by agreement of Oconee County, a fee-in-lieu of property taxes.

Five-Year Property Tax Abatement

South Carolina law mandates a five-year abatement of the county's operating portion of the millage rate. Generally, this portion makes up about 25 percent to 30 percent of the local millage rate. Since Project CG Roxane is investing more than \$50,000, the project is eligible for this abatement. The advantage of this incentive is that for the first five years — the crucial time for a new operation — Project CG Roxane can substantially reduce local tax liability.

Please note that the tax abatement on investment is effective for five years from the time the property becomes operational. Once the abatement period ends (in Year 6), the property is taxed at the millage rate in effect at that time.

However, as Project CG Roxane is investing \$15 million, the project is eligible for a second incentive that offers greater savings above that of the Five-Year Abatement. This incentive, called a Fee-in-Lieu of Property Tax, replaces the Abatement and is offered at the discretion of Oconee County.

Fee-In-Lieu of Property Tax

South Carolina law allows Oconee County to enter into a negotiated agreement for a Fee-in-Lieu of local property taxes with Project CG Roxane if total capital investment is \$5 million or greater. The long-term savings of the Fee-in-Lieu is based on the actual investment and is dependent on both the assessment and millage rates negotiated with Oconee County.

By law, Project CG Roxane has 5 years to meet the minimum investment threshold, and Oconee County can offer an additional 5-year extension to complete the project. Project CG Roxane may include both real and personal property under the Fee-in-Lieu agreement with one exception: Property

that has been on the tax rolls in the state previously, including existing buildings, is not eligible for the Fee-in-Lieu. (This restriction is waived for companies investing \$45 million or more in new equipment.)

The Fee-in-Lieu may result in substantial benefits for Project CG Roxane:

- **Savings:** Payments to local government are significantly reduced through the negotiation of a lower assessment rate (from 10.5 percent to as low as 6 percent) and the negotiation of a locked-in millage rate for 20 years or a five-year adjustable rate.
- **Planning:** Payments to local government are stabilized for the term of the agreement. This ultimately allows Project CG Roxane greater flexibility in financial planning for as long as 20 years.
- **Replacement Property:** Property that is replacing property previously under the Fee-in-Lieu is allowed to go under the agreement up to the original value of the property at any time during the agreement.

The following table illustrates the impact of the Fee-in-Lieu for an investment of \$15 million in Oconee County with a 6 percent assessment rate and a 0.2050 millage rate locked for the 20-year life of the agreement.

A 20% Special Source Revenue Credit for 5 years is included in the Fee-in-Lieu illustration. This incentive is offered at the discretion of Oconee County as a way for the county to assist Project CG Roxane with specific project goals. The value of the credit is derived directly from the Fee stream payments.

Illustration of Fee-In-Lieu of Property Tax

Project CG

Oconee County

6%, 20-Year Fee, Locked Millage, Normal Fee Schedule

Year	ESTIMATES PER SCHEDULES Yr 1 Invest	ESTIMATES PER SCHEDULES Yr 2 Invest	Total Taxes with Fee	Total Taxes without Fee	Total Savings with Fee	Special Source Revenue Credit 20% - 5 Years
1	\$123,280		\$126,280	\$157,372	\$21,310	\$25,252
2	\$116,759	\$42,275	\$157,034	\$189,146	\$32,111	\$51,407
3	\$103,259	\$37,810	\$141,069	\$175,815	\$30,548	\$28,214
4	\$91,758	\$33,345	\$125,103	\$153,714	\$28,811	\$25,021
5	\$80,258	\$28,880	\$109,138	\$135,438	\$26,300	\$21,828
6	\$68,757	\$24,416	\$93,173	\$117,065	\$23,892	
7	\$57,257	\$19,951	\$77,207	\$103,425	\$26,217	
8	\$45,756	\$15,486	\$61,242	\$91,906	\$30,664	
9	\$43,885	\$11,021	\$54,906	\$90,930	\$46,944	
10	\$43,885	\$10,209	\$53,874	\$90,312	\$49,238	
11	\$43,885	\$10,209	\$53,874	\$90,143	\$50,269	
12	\$43,885	\$10,209	\$53,874	\$90,166	\$51,211	
13	\$43,885	\$10,209	\$53,874	\$90,257	\$52,383	
14	\$43,885	\$10,209	\$53,874	\$90,299	\$53,425	
15	\$43,885	\$10,209	\$53,874	\$90,372	\$54,498	
16	\$43,885	\$10,209	\$53,874	\$90,456	\$55,582	
17	\$43,885	\$10,209	\$53,874	\$90,550	\$56,676	
18	\$43,885	\$10,209	\$53,874	\$90,656	\$57,782	
19	\$43,885	\$10,209	\$53,874	\$90,772	\$58,898	
20	\$43,885	\$10,209	\$53,874	\$90,900	\$60,026	
21		\$10,209	\$103,448	\$115,039	\$11,591	

TOTALS:	\$1,212,042	\$335,882	\$1,540,973	\$2,827,327	\$986,254	\$131,721
±	1,800,000	Trickle-IRIF		0.20% Millage Rate		
±	3,200,000	Land-IRIF		0.65% County Ad Valorem		
±	3,000,000	Total Investment		1.0% Millage Growth Rate		

SALES & USE TAX AND EXEMPTIONS

South Carolina's corporate citizens pay one of the lowest sales and use tax rates at 5 percent.

Sales Tax Exemptions

In addition to maintaining a low sales tax rate, South Carolina offers a number of sales tax exemptions for manufacturers including:

- Manufacturing production machinery and applicable repair parts;
- Manufacturing materials that become an integral part of the finished product;
- Industrial electricity and other fuels used in manufacturing tangible personal property;
- Research and development equipment;
- Manufacturers' air, water and noise pollution control equipment;
- Material handling equipment for manufacturing projects investing \$35 million or more;
- Packaging materials; and
- Long distance telecommunication services, including 800 services.

Illustration of Sales Tax Exemption

Project CG Roxane

Oconee County

Total Manufacturing Equipment Investment	\$11,800,000
x State Sales Tax	5%
Total Value	\$590,000

Sales Tax Caps

In addition to the sales tax exemptions, South Carolina further reduces Project CG Roxane's tax burden by providing a valuable sales tax cap of \$300 on the sale or lease of automobiles, trucks, boats, and aircraft.

SOUTH CAROLINA'S CENTER FOR ACCELERATED TECHNOLOGY TRAINING

For more than 40 years, South Carolina's Technical Education System has provided one of the state's most powerful economic development incentives—The Center for Accelerated Technology Training (CATT). The mission of CATT is to provide qualified companies with well-trained and highly motivated employees. This is accomplished through a comprehensive and customized process that includes recruiting, screening, and training for companies that agree to move to or expand business in South Carolina.

CATT is often the key element that allows companies to start-up rapidly, to operate efficiently and productively, and to succeed in today's global environment. If Project CG Roxane chooses to utilize CATT, the program will be driven exclusively by the company's needs, time frames and desired level of partnership. Hallmarks of this highly-acclaimed program include: flexibility, responsiveness, quality control, solid management, experience, and the ability to help create highly functioning work teams.

Why CATT is Unique

CATT is unique among US state training programs and listed below are some of the elements that set our program apart.

- **Economic Development Mission:** Through CATT, South Carolina is committed to promoting economic development by providing Project CG Roxane with targeted programs of specific interest, focusing intently on the needs of the company's workforce, and closely collaborating with our extensive network of technical colleges.
- **Experienced and Dedicated Personnel:** Unlike other training programs, CATT is managed from a central state office by dedicated personnel, many of whom come from industry. They bring a unique understanding of industry needs to the process and rely on coaching techniques rather than lecture-style learning.
- **Extensive Resources and Infrastructure:** When CATT commits to recruit, screen, and train Project CG Roxane's new employees, the process can begin immediately because well-equipped facilities, trained instructors, and links with Job Service Centers and other recruiting vehicles are already in place.
- **Multi-tiered Screening Process:** After several screenings by the local Job Service and CATT staff, Project CG Roxane can select from the finalists to identify those who will go into the training program. At the final stage, the goal is to provide 5 qualified candidates for every 1 position the company plans to immediately staff; however, at no time is Project CG Roxane obligated to hire any of the training candidates.
- **No Federal Funding:** Unlike some states that use federal funding to offset training costs and thus must adhere to federal requirements, South Carolina's program uses no federal funding. We will train only those individuals selected by Project CG Roxane to enter the program. Since the selection is based solely on individual qualifications, the result is a higher quality trainee pool.
- **Quality of Trainees:** Because trainees sign a statement certifying that they are not guaranteed a job, their motivation to train is based on the opportunity to improve their existing skills and hopefully transition to a better career. As a result, the program attracts self-motivated and disciplined individuals who are capable of helping Project CG Roxane compete in the global marketplace.

FACT: To date, CATT has trained nearly 200,000 people for some 1,500 companies – including a broad range of world-class companies.

The staff of CATT is committed to ensuring Project CG Roxane's success in South Carolina by protecting the confidentiality of the company's proprietary processes and information, sending instructors anywhere in the world to observe existing operations and learn required skills, and preparing a training site which will mirror Project CG Roxane's production process. Company personnel are welcome to be present throughout the process to preview and evaluate potential employees, observe group dynamics, and help familiarize potential employees with Project CG Roxane's corporate culture. With the use of CATT, South Carolina is positioned to help Project CG Roxane gain the competitive advantage through training.

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: May 3, 2005
COUNCIL MEETING TIME: 7 p.m.

ITEM TITLE OR DESCRIPTION:

Consideration of a budget transfer request of \$30,000 for Rock Quarry Vehicle Maintenance from Capital Expenditures/Land.

BACKGROUND OR HISTORY:

This transfer is requested because line item 017-721-80719 Vehicle Maintenance is near depletion. The vehicle maintenance line item was cut by \$60,000 in the FY 04-05 budget process. Due to an error by the Vehicle Maintenance Facility, only labor was being entered on the invoice on all tire purchases/repairs from June 2004 to March 2005. This \$24,439.14 error was discovered during tire inventory, and now must be paid. This requested transfer should pay for these charges and get us through the remainder of this fiscal year.

SPECIAL CONSIDERATIONS OR CONCERNS:

Without the transfer of these funds, we will be unable to service our equipment and to purchase necessary items which could cause costly and preventable deterioration to major components in our mobile fleet. This could also have an impact on the safety of our employees who operate this equipment approximately 52 hours each week.

STAFF RECOMMENDATION:

We recommend that \$30,000 be transferred from the Capital Expenditures/Land line item, 017-719-50860, to the Vehicle Maintenance line item, 017-721-80719.

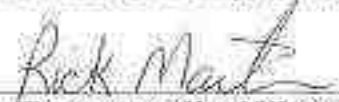
FINANCIAL IMPACT:

We will be taking approximately \$30,000 from the Capital Expenditures/Land line item.

ATTACHMENTS:

Budget Revision Form - Transfer Request

Submitted or Prepared by:



(Department Head/Elected Official)

Approved By:



Ron H. Rahm,
Geonee County Administrator

Reviewed By/ Initials:

County Attorney


Finance

C: Clerk to Council

Other

TRANSFER REQUEST FORM

OCCONEE COUNTY, SOUTH CAROLINA
BUDGET REVISION FORM

DESCRIPTION REVISION FORM

2004-2005

Rock Quality
DEPARTMENT NAME

Rock Mault
SIGNATURE OF DEPARTMENT DIRECTOR

04/22/05

DATE OF REQUEST

017-721-30719

Vehicle Maintenance

\$30,000.00

LINE ITEM ACCOUNT NUMBER

LINE ITEM DESCRIPTION

AMOUNT TO TRANSFER

EXPLAIN WHY THIS ITEM (OR ITEMS) IS NEEDED AND WHY IT WAS NOT BUDGETED FOR

We are out of funds in this line item due to increasing parts costs and the fact that this item was cut by \$60,000.00 in the budget process.

WAS THIS ITEM PREVIOUSLY CUT FROM YOUR BUDGET DURING THE BUDGET PROCESS? YES NO

017-719-50860

Capital Expenditure/Land

\$30,000.00

LINE ITEM ACCOUNT NUMBER

LINE ITEM DESCRIPTION

AMOUNT TO TRANSFER

LINE ITEM ACCOUNT NUMBER

LINE ITEM DESCRIPTION

AMOUNT TO TRANSFER

LINE ITEM ACCOUNT NUMBER

LINE ITEM DESCRIPTION

AMOUNT TO TRANSFER

WHY ARE THERE EXCESS FUNDS IN THIS ACCOUNT? WHAT ITEM WILL NOT BE NEEDED THAT WAS APPROVED DURING THE BUDGET PROCESS?

No properly has become available for purchase this year.

Approved by Council 5/3/05

RM

APPROVED

DENIED

Don N. Davis, Administrator

APPROVED

DENIED

Myra E. Cantrell, Director of Collaborative Services & Resource

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: 5/2/05
COUNCIL MEETING TIME: 7:00 pm

ITEM TITLE OR DESCRIPTION:

OCONEE COUNTY COUNCIL ORDINANCE NO: 2004-29
LITTER CONTROL ORDINANCE OF OCONEE COUNTY, SOUTH CAROLINA

BACKGROUND OR HISTORY:

Oconee County Council adopted the Litter Ordinance in December of 2004.

SPECIAL CONSIDERATIONS OR CONCERNS:

Ordinance 2004-29 covers litter but does not cover various types of debris and attractive nuisances. Certain types of debris can include mosquito breeding pools which can pose a threat of West Nile Virus and other diseases. Various attractive nuisances and the like, which present a danger to children, exist throughout the County.

STAFF RECOMMENDATION:

Recommend that Ordinance 2004-29 be referred to the Planning Commission and the Commission be directed to define various problems involving debris and attractive nuisances. Furthermore, the Commission should draft language to be included in the Litter Ordinance, that would regulate the removal of debris and abate attractive nuisances.

FINANCIAL IMPACT:

NONE

ATTACHMENTS:

OCONEE COUNTY ORDINANCE NO: 2004 - 29

Submitted or Prepared By:



Department Head/Elected Official

Approved for Submittal to Council:



Ron H. Rabun, County Administrator

Reviewed/By/ Initials:

 County Attorney

_____ Finance

_____ Other

C: Clerk to Council

OCONEE COUNTY COUNCIL

OCONEE COUNTY COUNCIL ORDINANCE NO. 2004-29

**LITTER CONTROL ORDINANCE OF OCONEE COUNTY,
SOUTH CAROLINA**

SECTION 1. - NAME

This Ordinance shall be known as the "Litter Control Ordinance of Oconee County, South Carolina."

SECTION 2. - PURPOSE

The purpose of this Ordinance is to set standards and regulations for the control of litter in Oconee County. The control of litter will have a positive and lasting effect upon the county's environment and appearance. The goal of this Ordinance is the general upkeep of the community for the health, safety, and welfare of its citizens. Subjects such as transporting loose materials, illegal dumping, unlawful disposal, nuisances, weeds and debris and the accumulation of vines, limbs, stumps, and brush shall not be allowed on any public or private property within the boundaries of the county by any person or persons.

SECTION 3. - AUTHORITY

This Ordinance is adopted pursuant to the provisions of S.C. Code 1976 §4-9-30. Personnel employed by the County Administrator as Code Enforcement Officers and personnel employed by the Sheriff of Oconee County shall be vested with the authority to enforce and administer litter control within the county in accordance with the provisions of S.C. Code 1976 § 44-67-10 et. seq. and all rules and regulations adopted thereunder and the same are incorporated herein by reference as if fully set forth verbatim and as may be amended from time to time.

SECTION 4. - DEFINITIONS

For the purpose of this article the following definitions shall apply:

Disposal package or container. All packages or containers defined as such by rules and regulations adopted by the State Department of Health and Environmental Control or Oconee County.

Litter. All waste materials, including, but not limited to, cigarettes and cigarette filters, trash, limbs, brush, vines, stumps, brush, garbage, refuse, construction and demolition materials, tires, batteries, appliances, furniture, liquid or granular substances, hazardous materials, machinery and abandoned vehicles. Unsolicited newspapers and/or

advertisements shall be considered litter for purposes of this Ordinance if a person upon whose property an unsolicited newspaper and/or advertisement is placed has notified the publisher and/or distributor of said newspaper or advertisement in writing of owner's desire not to receive said newspaper or advertisement.

Litter receptacle. Those containers adopted by the State Department of Health and Environmental Control which may be standardized as to size, shape, capacity and color and which may bear a state or county anti-litter symbol, as well as any other receptacle suitable and safe for the disposing of litter.

Owner. The term "owner" includes any person owning or having title, possession or control over real property, including but not limited to, landholders, landlords, tenants, proprietor, and business operators.

Person. An individual, partnership, company, contractor, subcontractor, developer, cooperatives, corporation, firm, landlord, tenant, proprietor, owner, political subdivision, sub-development, state or county agency, trust, estate, joint venture or any other legal entity or its legal representative, agent or assigns.

SECTION 5. - APPLICATION

(a) No person shall dump, throw, drop, deposit, discard, place or in any way dispose of litter, hazardous material or other liquid, granular or solid waste upon any public or private property in the county or in the waters of the county whether from a vehicle or otherwise, including but not limited to, any highway, park, beach, campground, forest land, recreational area, trailer park, road, street or alley except:

- (1) When such property is designated by Oconee County or the State of South Carolina for the disposal of litter and other solid waste and such person is authorized to use such property for that such purpose;
- (2) When placing material into an approved litter receptacle in such a manner that the litter will be prevented from being carried away, scattered or deposited by the elements upon any part of such private or public property or waters.

(b) The responsibility for the removal of litter from property shall be upon the person responsible for littering the property. However, if the person responsible for littering the property is unknown or has not been charged with littering by a law enforcement officer, then the owner of the property shall be responsible for the removal of litter from such property in accordance with Section 7(c) below.; and in such cases, the court may consider the financial or physical ability of the property owner to remove said litter, but the burden is on the property owner to prove same.

(c) Where litter has traveled through forces of nature onto property of another, the owner of the property of origin of the litter is responsible for the removal of litter from the property wherever the forces of nature carry or spread the litter.

(d) The driver of any vehicle shall be held in violation of this article in the event it cannot be determined which occupant of the vehicle committed any acts in violation of this section.

(e) It shall be unlawful for any person, firm, corporation, institution, organization, contractor or subcontractor to transport any loose materials by truck, trailer or other motor vehicles within the corporate limits of the county unless said material is covered and secured in such a manner as to prevent litter, leakage or spillage on public and private property. Lack of adequate covering and securing of material while the loaded truck, trailer or other motor vehicle is in motion shall constitute a violation of this section.

SECTION 6. - PENALTIES AND FINES

Any person violating the provisions of this Ordinance shall be guilty of a misdemeanor and upon conviction shall be fined not less than \$100.00 nor more than \$500.00 for each offense plus court costs. As punishment, the court shall also direct litter gathering labor as appropriate under the supervision of the court. In addition, the court may order any person violating the provisions of this article to pay restitution to the county or to the victims for the costs of removing or abating such litter. The Magistrate's Court shall have jurisdiction to enforce this Ordinance.

SECTION 7. - ENFORCEMENT

(a) The provisions of this article shall be enforced by the duly authorized law enforcement officers of the county, including but not limited to, all law enforcement officers and deputies employed by the sheriff's department, and by designated code enforcement officers employed by the County Administrator.

(b) The county law enforcement officers and county code enforcement officers shall be authorized and required to cause the inspection of any public or private property within the limits of the county whenever it shall be necessary to enforce the provisions of this article.

(c) Any person violating the provisions of this article in the presence of the law enforcement officer shall be issued a uniform summons for the offense.

(d) Whenever it appears to the county law enforcement officer or county code enforcement officer that property lying within the county limits contains litter as defined by this Ordinance, the law enforcement officer shall serve written notice on the owner of the property requiring the owner to abate or remove the litter within 15 days.

(e) Any property owner who refuses or neglects to abate or remove litter from property after receiving 15 days written notice shall be served with a uniform summons and shall be subject to prosecution in accordance with Section 6, above. In addition, the law enforcement officer, or code enforcement officer may also cause the removal or abatement of such litter, and all expenses incurred in so abating or removing such litter may be recoverable from the owner of the property from which the litter is removed or abated, or from any person causing or maintaining the same, in the same manner as debts of like amounts are now recoverable by law.

(f) Any person who is harmed or sustains damages arising out of a violation of this article shall be entitled to recover in a civil action threefold the actual damages from the person violating this article, plus court costs and reasonable attorney's fees.

**AGENDA ITEM SUMMARY
OCONEE COUNTY, SC**

**COUNCIL MEETING DATE: May 3, 2005
COUNCIL MEETING TIME: 7:00 pm**

REVISED COPY

ITEM TITLE OR DESCRIPTION:

Pre-Application (FY06) for Airport Capital Improvement Plan Phase I

BACKGROUND OR HISTORY:

Oconee Regional Airport applies for grants in order to help cover expenses used for engineering studies, surveying, testing, construction and etc. This year, the FAA and the State agency are supplying assistance to help cover the cost for the Airport Capital Improvement Plan Phase I. Although these agencies give assistance, the County will have to match 2.5%. With this funding, including our local match, the following project will take place:

Administration

- Surveying, testing, engineering, and permitting
- 600' Runway Extension and Relocation of Shiloh Road and Mount Nebo Road

Construction

- 600' Extension of Runway
- Shiloh Road Relocation
- Land Acquisition

SPECIAL CONSIDERATIONS OR CONCERNS:

The pre-application has been delayed due to prior Airport Director not addressing this issue.

Project Description and Need

600' Runway Extension and Relocation of Shiloh Road and Mount Nebo Road

CEU currently had over 80 based aircraft and experienced 1,600 business jet operations per year and this is projected to increase to 2,250 with the runway extension. During recent years, business and corporate operations have increased at CEU in conjunction with the recent growth and development of Oconee County. Category C & D business jets are very limited at CEU due to facility restrictions. These facility restrictions affect payload, insurance requirements and wet pavement conditions.

This project includes a 600 linear foot expansion of Runway 7 to achieve the interim runway length of 5,000'. The extension of the runway will cross over the existing Shiloh Road and require modification to the roadway alignment. To incorporate the appropriate design criteria for horizontal curves, grade, and design speed limits, this road relocation is approximately 6,000' long. Also, to maintain adequate Part 77 surface clearance, a portion of Mt. Nebo Church Road will need to be closed.

Objectives

The FAA recommended minimum runway length for accommodating a pure business jet critical is 5,500', which allows access by 75% of large business jets at 60 percent useful load.

This project is the first phase of a six phase approach as identified in the Runway 7-25 Extension Preliminary Engineering Study (Talbert & Bright, Inc., December 2004) that would allow CEU to

ultimately extend Runway 7-35 to 5,500 feet with an unrestricted ARC-CII classification with a full parallel taxiway and a localizer.

Method of Accomplishment

Construction contracts will be awarded for all projects on the basis of bids taken from private contractors for the construction projects.

Geographical Location

The location of these projects is the Oconee County Regional Airport.

Benefits

The 5,000' runway length will more safely accommodate the current demand for business-class aircraft, and it will also broaden the ability to capture a larger segment of the small to medium-sized business jet fleet. As a business-class facility, this would perpetuate and diversify growth, and allow OCU to immediately extract more operating revenues and realize a more favorable economic significance.

STAFF RECOMMENDATION:

Approve to submit the pre-application.

FINANCIAL IMPACT:

If approved, the local match of \$122,365.00 will be included in the FY2005-2006 budget.

Cost Summary:

1. Administration	\$ 10,000.00
2. Surveying, Testing Engineering and Permitting	\$ 814,101.00
3. Construction	\$ 4,070,501.00
TOTAL Funding Requested	\$ 4,894,602.00

Federal Share	\$ 4,649,872.00
State Share	\$ 122,365.00
Local Match (Oconee County)	\$ 122,365.00


ATTACHMENTS:

A copy of the pre-application is attached.

Submitted or Prepared By:

Approved for Submittal to Council:

Department Head/Elected Official


Ron H. Rabun, County Administrator

Reviewed By/ Initials:

County Attorney

 Finance

 Grants

Other

C: Clerk to Council

APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION		2. DATE SUBMITTED March 4, 2005	Applicant Identifier	
<input type="checkbox"/> Application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE	State Application Identifier	
<input checked="" type="checkbox"/> Pre-application <input checked="" type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		4. DATE RECEIVED BY AGENCY	Federal Identifier	
5. APPLICANT INFORMATION				
Legal Name: Oconee County, South Carolina		Organizational Unit: Department: Oconee County		
Organizational OUNS: 045815883		Division:		
Address: Street: 365 Airport Road		Name and telephone of person to be contacted on matters involving this application (give area code)		
City: Seneca		Prefix: Mr.	First Name: Robert	
County: Oconee		Middle Name:		
State: South Carolina		Last Name: Banks		
Zip Code: 29678		Suffix:		
Country: United States		Email: rbanks@oconeesc.com		
6. EMPLOYER IDENTIFICATION NUMBER (EIN):		Phone Number (give area code)		Fax Number (give area code)
57 - 6000391		(864) 882 - 2859		(864) 888 - 4803
8. TYPE OF APPLICATION		7. TYPE OF APPLICANT (See back of form for Applicant Types)		
<input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)		B. County		
Other (specify):		Other (Specify):		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NO.:		9. NAME OF FEDERAL AGENCY:		
20 - 106		Federal Aviation Administration		
TITLE (Name of Program): Airport Improvement Program		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:		
12. AREAS AFFECTED BY PROJECT (Ones Covered: States, etc.): Oconee County		Oconee County Regional Airport Phase I - 600' Runway Extension and Relocation of Shiloh Road and Mount Nebo Road		
13. PROPOSED PROJECT		14. CONGRESSIONAL DISTRICTS OF:		
Start Date 10/05	Ending Date 10/07	a. Applicant 10th	b. Project 13th	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
e. Federal	\$ 4,049,872. ⁰⁰	a. YES: <input checked="" type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE 3-4-05		
b. Applicant	\$ 122,365. ⁰⁰	b. NO: <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372		
c. State	\$ 122,365. ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
d. Local	\$. ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
a. Other	\$. ⁰⁰	<input type="checkbox"/> Yes. If "Yes", attach an explanation <input checked="" type="checkbox"/> No		
f. Program Income	\$. ⁰⁰			
g. TOTAL	\$ 4,894,602. ⁰⁰			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative:				
Prefix: Mr.		First Name: Ron		Middle Name: H.
Last Name: Rabun		Suffix:		
b. Title: County Administrator		c. Telephone: 864-838-4244		
c. Signature of Authorized Representative:		d. Date Signed:		

Project Budget
 Oconee County Regional Airport
 AIP 3-45-0018-14
 March 4, 2025

1 Administration		\$10,000.00
2 Surveying, Testing, Engineering, and Permitting		
600' Extension of Runway	\$249,050.00	
Shiloh Road Relocation	\$469,480.00	
Land Acquisition	\$95,580.17	
	<hr/>	
Sub-Total Engineering, RPR, and Testing		\$814,100.17
	USE	\$814,101.00
3 Construction		
600' Extension of Runway	\$1,245,250.00	
Shiloh Road Relocation	\$2,347,300.00	
Land Acquisition	\$477,950.83	
	<hr/>	
Sub-Total - Construction		\$4,070,500.83
	USE	\$4,070,501.00
Total Budget		\$4,894,602.00
	USE	\$4,894,602.00
FAA Share (95%)		\$4,649,871.90
	USE	\$4,649,872.00
State Share (2.5%)		\$122,365.05
	USE	\$122,365.00
Local Share (2.5%)		\$122,365.05
	USE	\$122,365.00

PART IV - PROGRAM NARRATIVE

A. Project Description and Need

600' Runway Extension and Relocation of Shiloh Road and Mount Nebo Road

CEU currently has over 80 based aircraft and experiences 1,600 business jet operations per year and this is projected to increase to 2,250 with the runway extension. During recent years, business and corporate operations have increased at CEU in conjunction with the recent growth and development of Oconee County. Category C and D business jets are very limited at CEU due to facility restrictions. These facility restrictions affect payload, insurance requirements and wet pavement conditions.

This project includes a 600 linear foot extension of Runway 7 to achieve the interim runway length of 5,000'. The extension of the runway will cross over existing Shiloh Road and require modification to the roadway alignment. To incorporate the appropriate design criteria for horizontal curves, grade, and design speed limits, this road relocation is approximately 6,000' long. Also, to maintain adequate Part 77 surface clearance, a portion of Mt. Nebo Church Road will need to be closed.

B. Objectives

The current approved CEU Master Plan including the "Airport Layout Plan" shows an ultimate Airport Reference Code (ARC) for CEU of C-II. The classification for ARC C-II includes the ability to accommodate a family of aircraft including most corporate turbo prop and several popular jet aircraft used today. Most of these aircraft require a minimum 5,000' runway for safe operation. The FAA recommended minimum runway length for accommodating a pure business jet critical aircraft is 5,500', which allows access by 75 percent of large business jets at 60 percent useful load.

This project is the first phase of a six phase approach as identified in the Runway 7-25 Extension Preliminary Engineering Study (Talbert & Bright, Inc., December 2004) that would allow CEU to ultimately extend Runway 7-35 to 5,500 feet with an unrestricted ARC C-II classification with a full parallel taxiway and a localizer.

C. Method of Accomplishment

Construction contracts will be awarded for all projects on the basis of bids taken from private contractors for the construction projects.

D. Geographical Location

The location of these projects is the Oconee County Regional Airport located east of Seneca, South Carolina off of SC 394.

PART IV - PROGRAM NARRATIVE

E. Benefits

The 5,000' runway length will more safely accommodate the current demand for business-class aircraft and it will also broaden the ability to capture a larger segment of the small to medium-sized business jet fleet. As a business-class facility, this would perpetuate and diversify growth, and allow CEG to immediately extract more operating revenues and realize a more favorable economic significance.

F. Cost Summary

1. Administration	\$10,000.00
2. Surveying, Testing, Engineering, and Permitting	\$814,101.00
3. Construction	\$4,070,501.00
Total Funding Requested	\$4,894,602.00

**Oconee County Regional Airport
Preliminary Engineering Study
Opinion of Probable Costs**

Phase I (Option C)	Unit	Quantity	Unit Cost	Total Cost
600' Extension of Runway (Option C)				
Mobilization (95%)	LS	1	\$80,000.00	\$80,000.00
Clearing and Grubbing	AC	1	\$4,000.00	\$4,000.00
Unclassified Excavation and Placement	CY	100,000	\$0.00	\$0.00
Borrow Excavation (On-Site from Phase I)	CY	45,000	\$0.00	\$0.00
Erosion Control (Temp. Seeding/Mulching, Silt Fences, Inlet Protection, Silt Basins, Filter Fabric, Excelsior Matting, Erosion Control Stone)	LS	1	\$60,000.00	\$60,000.00
Drainage (RCP, Manholes, Drop Inlets, Headwalls, Driveway Culverts, Edge Drains)	LS	1	\$75,000.00	\$75,000.00
Removal of Existing Pavement	SY	0	\$5.00	\$0.00
Crushed Aggregate Base Course 12" (P-209)	TON	1,350	\$40.00	\$54,000.00
Bituminous Surface Course 2" (P-407)	TON	1,200	\$70.00	\$84,000.00
Bituminous Prime Coat	GAL	1,700	\$2.00	\$3,400.00
Bituminous Tack Coat	GAL	1,200	\$2.00	\$2,400.00
Pavement Marking	SP	21,000	\$0.50	\$10,500.00
Seeding	SP	15,500	\$1.00	\$15,500.00
Mulching	AC	6.5	\$1,500.00	\$9,750.00
Cable Trench	LF	1,900	\$1.50	\$2,850.00
Underground Cable	LF	1,000	\$1.00	\$1,000.00
Bare Counterpoise Wire- Insulated in Trench, Insulating Ground Rods and Connectors	LF	1,500	\$1.00	\$1,500.00
Temporary Robotic Threshold Lights	EA	8	\$200.00	\$1,600.00
Vault Modifications	FE	1	\$10,000.00	\$10,000.00
New Runway Threshold/End Lights	EA	8	\$700.00	\$5,600.00
New Runway Edge Lights (2 Base Mounted, 4 Stake Mounted)	EA	6	\$700.00	\$4,200.00
New Guidance Sign	EA	1	\$2,000.00	\$2,000.00
Relocation/Reconnection of R.E.L.S.	LS	1	\$4,000.00	\$4,000.00
Relocation/Reconnection of P.A.P.s	LS	1	\$5,000.00	\$5,000.00
Fence Relocation	LF	2,100	\$15.00	\$31,500.00
			Subtotal	\$1,245,550.00
			Surveying, Testing, Engineering, Permitting, and Contingencies	\$249,850.00
			TOTAL	\$1,495,400.00
Phase I (Option C)				
	Unit	Quantity	Unit Cost	Total Cost
Shiloh Road (SR 37) (Option C)				
Mobilization (95%)	LS	1	\$220,000.00	\$220,000.00
Clearing and Grubbing	AC	9.5	\$4,000.00	\$38,000.00
Unclassified Excavation and Placement	CY	30,000	\$0.00	\$0.00
Borrow Excavation (On-Site from Phase I)	CY	130,000	\$0.00	\$0.00
Erosion Control (Temp. Seeding/Mulching, Silt Fences, Inlet Protection, Silt Basins, Filter Fabric, Excelsior Matting, Erosion Control Stone)	LS	1	\$120,000.00	\$120,000.00
Drainage (RCP, Manholes, Drop Inlets, Headwalls, Driveway Culverts)	LS	1	\$130,000.00	\$130,000.00
Removal of Existing Pavement (Existing SR 37)	SY	1,100	\$5.00	\$5,500.00
Crushed Aggregate Base Course (P-209)	TON	10,400	\$30.00	\$312,000.00
Bituminous Surface Course 1" (P-407)	TON	3,600	\$70.00	\$252,000.00
Bituminous Prime Coat	GAL	4,000	\$2.00	\$8,000.00
Bituminous Tack Coat	GAL	2,400	\$2.00	\$4,800.00
Pavement Marking	SP	12,000	\$0.50	\$6,000.00
Seeding	AC	15	\$1,000.00	\$15,000.00
Mulching	AC	13	\$1,500.00	\$19,500.00
Relocation/Reconnection/Removal of Existing (P)H.A.s	FE	1	\$60,000.00	\$60,000.00
Driveway Entrance Reconstruction	EA	20	\$1,000.00	\$20,000.00
Retaining Wall	LS	1	\$210,000.00	\$210,000.00
Utility Submittals/Design	LS	1	\$120,000.00	\$120,000.00
			Subtotal	\$8,347,300.00
			Surveying, Testing, Engineering, Permitting, and Contingencies	\$403,450.00
			TOTAL	\$2,818,750.00

Land Acquisition (Option C)				
Parcel Tax ID #241-00-01-084	EA	1	\$8,175.10	\$8,175.10
Parcel Tax ID #258-00-02-005	EA	1	\$377.08	\$377.08
Parcel Tax ID #216-00-04-005	EA	1	\$353.83	\$353.83
Parcel Tax ID #226-00-04-000	EA	1	\$1,849.00	\$1,849.00
Parcel Tax ID #231-00-04-075	EA	1	\$6,900.00	\$6,900.00
Parcel Tax ID #256-00-04-070	EA	1	\$1,963.75	\$1,963.75
Parcel Tax ID #250-00-04-077	EA	1	\$14,671.00	\$14,671.00
Parcel Tax ID #256-00-04-024	EA	1	\$26,853.20	\$26,853.20
Parcel Tax ID #226-00-04-031	EA	1	\$201.48	\$201.48
Parcel Tax ID #236-00-04-070	EA	1	\$1,781.23	\$1,781.23
Parcel Tax ID #250-00-04-080	EA	1	\$3,488.50	\$3,488.50
Parcel Tax ID #256-00-04-010	EA	1	\$293.00	\$293.00
Parcel Tax ID #236-00-04-082	EA	1	\$2,704.81	\$2,704.81
Parcel Tax ID #200-00-04-008	EA	1	\$882.50	\$882.50
Parcel Tax ID #256-00-04-031	EA	1	\$1,811.25	\$1,811.25
Parcel Tax ID #250-00-04-121	EA	1	\$90,888.50	\$90,888.50
Parcel Tax ID #256-00-04-120	EA	1	\$17,250.00	\$17,250.00
Parcel Tax ID #256-00-04-077	EA	1	\$28,067.00	\$28,067.00
Parcel Tax ID #256-00-04-016	EA	1	\$20,514.74	\$20,514.74
Parcel Tax ID #241-00-01-083	EA	1	\$4,678.12	\$4,678.12
Parcel Tax ID #241-00-01-094	EA	1	\$603.75	\$603.75
Parcel Tax ID #241-00-01-014	EA	1	\$1,016.33	\$1,016.33
Relocation Assistance	EA	0	\$20,000.00	\$180,000.00
			\$495.61	\$47,957.93
			Surveying, Testing, Engineering, Permitting, and Contingencies	\$55,590.17
			TOTAL	\$873,541.00
			PHASE I (OPTION B) TOTAL	\$4,884,801.60
			TOTAL - USE	\$4,885,000.20

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC
COUNCIL MEETING DATE: 5/3/05
COUNCIL MEETING TIME: 7:00 pm

ITEM TITLE OR DESCRIPTION:

Adoption of Resolution 2005-11, "A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS NOT EXCEEDING \$35,000,000 HOSPITAL REFUNDING REVENUE BONDS (OCONEE MEMORIAL HOSPITAL PROJECT) IN ONE OR MORE SERIES PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED"

BACKGROUND OR HISTORY:

Oconee Memorial Hospital is projecting the refinancing of prior debt and Oconee County, as the governing body, is assisting the Hospital by adopting this proposed resolution as required by SC State Law.

SPECIAL CONSIDERATIONS OR CONCERNS:

- (1) This proposed action has been reviewed by Bond Counsel Haynesworth, Sinder & Boyd
- (2) Council agrees to execute this resolution approving the bond refinancing
- (3) County Bond Counsel assures us that these bonds will not count against the County's Bonding Capacity; nor will the County be responsible for the bonds in the event of default by the Hospital.
- (4) The Bonds will not constitute a charge against the County or the taxing powers of the County.

STAFF RECOMMENDATION FOR COUNCIL ACTION:

Adoption of Resolution 2005-11 (listed above)

FINANCIAL IMPACT:

- (1) The revenue refunding bonds will be paid back by the borrower, Oconee Memorial Hospital
- (2) The borrower, Oconee Memorial Hospital, will be maintaining approximately 1,301 jobs.

ATTACHMENTS:

Proposed Resolution
Submitted or Prepared By:

Opal O. Green
Department Head

Approved for Submittal to Council:


Ron H. Rabun, County Administrator

Reviewed By/ Initials:

[Signature] County Attorney

_____ Finance

_____ Other

C: Clerk to Council

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF THE AGREEMENT DATED AS OF MAY 1, 2005 BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND OCONEE COUNTY MEMORIAL HOSPITAL RELATING TO (i) THE LEGAL DEFEASANCE OF \$4,115,000 OCONEE COUNTY, SOUTH CAROLINA GENERAL OBLIGATION BONDS, SERIES 2000 (LILA DOYLE PROJECT), (ii) CERTAIN SERVICES TO BE PROVIDED BY OCONEE COUNTY MEMORIAL HOSPITAL, (iii) THE TRANSFER OF CERTAIN LAND AND FACILITIES OWNED BY THE COUNTY TO OCONEE COUNTY MEMORIAL HOSPITAL, (iv) ACCESS TO CERTAIN RECORDS OF OCONEE COUNTY MEMORIAL HOSPITAL, (v) HOSPITAL BOARD MEMBERSHIP, AND (vi) OTHER MATTERS RELATED THERETO.

WHEREAS, Oconee County, South Carolina (the "County") and Oconee County Memorial Hospital (the "Hospital") desire to enter into an agreement setting forth certain rights and responsibilities of the parties in providing health care to the citizens of the County; and

WHEREAS, the County and the Hospital desire to legally defease with funds provided by the Hospital the outstanding Oconee County, South Carolina, General Obligation Bonds, Series 2000 (Lila Doyle Project)(the "Series 2000 Bonds"); and

WHEREAS, the County and the Hospital desire to address other matters in addition to the defeasance of the Series 2000 Bonds including (i) the legal defeasance of \$4,115,000 Oconee County, South Carolina General Obligation Bonds, Series 2000 (Lila Doyle Project), (ii) certain services to be provided by Oconee County Memorial Hospital, (iii) the transfer of certain land and facilities owned by the County to Oconee County Memorial Hospital, (iv) access to certain records of Oconee County Memorial Hospital, (v) Hospital Board Membership, and (vi) other matters related thereto.

WHEREAS, the County desires to facilitate the issuance of revenue bonds to be issued by the South Carolina Jobs-Economic Development Authority, the proceeds of which will be loaned to the Hospital to refund certain outstanding obligations of the Hospital and undertake certain improvements as set forth in the resolution presented at this meeting and the public hearing notice published in connection therewith.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Oconee County, South Carolina as follows:

Section 1. The Agreement dated as of May 1, 2005 (the "Agreement") between the County and the Hospital in substantially the form attached hereto is approved with such changes as may be approved by the Chairman of County Council and the County Administrator.

Section 2. The Chairman of County Council and the County Administrator are hereby authorized to execute the Agreement, and the Clerk to County Council is authorized to affix the seal of the County and attest the same and deliver the Agreement to the Hospital.

Section 3. This Agreement shall be effective as of the date of its execution and delivery by the parties hereto.

Passed and approved in meeting assembled this ____ day of April, 2005.

OCONEE COUNTY, SOUTH CAROLINA

(SEAL)

Attest:

Clerk to County Council

By: _____
Chairman, County Council

By: _____
County Administrator

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC
COUNCIL MEETING DATE: 5/3/05
COUNCIL MEETING TIME: 7:00 pm

ITEM TITLE OR DESCRIPTION:

Third & Final Reading of Ordinance 2005-07, "AN ORDINANCE AUTHORIZING: (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (THE "FEE AGREEMENT") BETWEEN OCONEE COUNTY, SOUTH CAROLINA ("OCONEE COUNTY") AND ROXANE LLC ("THE COMPANY") PURSUANT TO WHICH FEE AGREEMENT OCONEE COUNTY SHALL COVENANT TO ACCEPT CERTAIN FEES IN LIEU OF AD VALOREM TAXES; (2) SPECIAL SOURCE CREDITS TO REIMBURSE THE COMPANY FOR A PORTION OF THE COST OF CERTAIN INFRASTRUCTURE OR REAL PROPERTY COSTS INCURRED IN CONNECTION WITH A MANUFACTURING OR COMMERCIAL ENTERPRISE SERVING THE ECONOMIC DEVELOPMENT OF OCONEE COUNTY; (3) THE BENEFITS OF A MULTI-COUNTY PARK TO BE MADE AVAILABLE TO COMPANY; AND (4) OTHER MATTERS RELATING THERETO"

BACKGROUND OR HISTORY:

C. G. Roxane LLC purchased the former Fountain Water Company and plan to invest at least \$10,000,000 in the next five years. This investment qualifies the company for EIT/OT under SC State Law. They currently have thirteen employees and plan to hire an additional eleven within twenty-four months.

SPECIAL CONSIDERATIONS OR CONCERNS:

This is a \$10,000,000 investment in the economy of Oconee County and the potential for twenty-four jobs.

STAFF RECOMMENDATION FOR COUNCIL ACTION:

- (1) Third & Final Reading of Ordinance 2005-07 (titled above)
- (2) Suggest the company be granted a special source credit of 15% for the first five years (company requested 25%)

FINANCIAL IMPACT:

This investment will bring approximately \$1.2M in taxes over the next twenty years / twenty-four jobs available to Oconee County citizens.

ATTACHMENTS:

Proposed Ordinance
Submitted or Prepared By:

Opal O. Green

Approved for Submittal to Council:



Department Head

Ron H. Rabun, County Administrator

Reviewed By/ Initials:

[Signature] County Attorney

_____ Finance

_____ Other

C: Clerk to Council

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR OCONEE COUNTY
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING: (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (THE "FEE AGREEMENT") BETWEEN OCONEE COUNTY, SOUTH CAROLINA ("OCONEE COUNTY") AND CG ROXANE LLC (THE "COMPANY"), PURSUANT TO WHICH FEE AGREEMENT OCONEE COUNTY SHALL COVENANT TO ACCEPT CERTAIN FEES IN LIEU OF *AD VALOREM* TAXES; (2) SPECIAL SOURCE CREDITS TO REIMBURSE THE COMPANY FOR A PORTION OF THE COSTS OF CERTAIN INFRASTRUCTURE OR REAL PROPERTY COSTS INCURRED IN CONNECTION WITH A MANUFACTURING OR COMMERCIAL ENTERPRISE SERVING THE ECONOMIC DEVELOPMENT OF OCONEE COUNTY; (3) THE BENEFITS OF A MULTI-COUNTY PARK TO BE MADE AVAILABLE TO COMPANY; AND (4) OTHER MATTERS RELATING THERETO.

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended through the date hereof (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Simplified FILOT Act"), and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, the "Special Source Act") (collectively, the "Act"); (i) to enter into agreements with certain investors to construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the "State") will be promoted by inducing industrial and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments with respect to such properties; (iii) to permit investors to claim special source credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and facilitate the grant of Special Source Credits; and

WHEREAS, CG Roxane LLC, a limited liability company organized and existing under the laws of the State of California and authorized to transact business in the State (the "Company"), is considering making a significant investment in the County through the acquisition of certain land and the construction, renovation, and equipping of certain buildings and other improvements thereon, which facilities the Company proposes to use

primarily to extract, filter, process, and bottle potable water (the "Project"). The Company anticipates that, should its plans proceed as expected, it will invest at least \$10,000,000, and possibly more than \$13,500,000, at the Project.

WHEREAS, the County has determined, *inter alia*, on the basis of the information supplied to it by the Company that the Project would subserve the purposes of the Act, and in consideration of the jobs and investment created by the Company, the County wishes to induce the Company to undertake the Project by offering the inducements set forth in the Inducement and Millage Rate Agreement (the "Inducement Agreement") heretofore approved by the Council by Resolution adopted April 5, 2005 (the "Inducement Resolution"); and

WHEREAS, the County and the Company have agreed to the specific terms and conditions of such arrangements set forth in that certain Fee in Lieu of Tax and Incentive Agreement between the County and the Company (the "FILOT Agreement"), which FILOT Agreement is to be dated as of May 1, 2005, or such other date as the parties may agree; and

WHEREAS, it appears that the FILOT Agreement now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the Council as follows:

Section 1. As contemplated by Section 12-44-40(F) of the Code, the findings and determinations set forth in the Inducement Resolution are hereby ratified and confirmed.

Section 2. The County hereby agrees to enter into the FILOT Agreement with the Company, whereby the Company will agree to pay a Negotiated FILOT (as defined in the FILOT Agreement) with respect to the Project in accordance with the terms of such FILOT Agreement. The FILOT Agreement will provide, *inter alia*, the following:

(b) In order to take advantage of the Negotiated FILOT, the Company must invest not less than the statutory minimum investment of \$5,000,000 in the Project by the end of the approximately five-year period commencing with the Company's initial expenditure with respect to the Project and ending on the fifth anniversary of the end of the property tax year in which the Company places in service the first assets comprising the Project (the "Statutory Compliance Period") and the Company will by contract agree to invest not less than \$10,000,000 in the Project during the Statutory Compliance Period. Such Statutory Compliance Period is anticipated to end on the Company's fiscal year end of December 31, 2010. To encourage the Company to increase its investment in the Project, if the investment in the Project aggregates at least \$10,000,000 on or before the end of the Statutory Compliance Period, the period for completion of the Project shall automatically be extended to the tenth anniversary of the end of the property tax year in which the Company places in service the first assets comprising the Project (*i.e.*, anticipated to extend through December 31, 2015) (such Statutory Compliance Period or extended investment period, as the case may be, herein referred to as the "Investment Period"), and the County hereby consents to such

extension on these terms; provided, however, that there shall be no extension of the period for meeting the statutory investment requirement of \$5,000,000 beyond the Statutory Compliance Period. If extended, the Investment Period would be anticipated to extend through December 31, 2015.

(b) (i) The Company shall pay a FILOT calculated as provided in this Section 2(h) (the "Negotiated FILOT") for all property placed in service by the Company as part of the Project during the Investment Period. The annual Negotiated FILOT payments shall commence with respect to the property tax year in which the first assets comprising a part of the Project are placed in service and shall continue for a period of up to 20 years thereafter; provided that, if the Project is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a period of 20 years, up to a total of 25 years or, if the Investment Period is extended, up to a total of 30 years.

(ii) The Negotiated FILOT shall be determined using: (1) an assessment ratio of 6.0%, (2) a millage rate of 205 mills, which is the millage rate applicable to the Project as of June 30, 2004, and which rate shall be fixed for the entire term of the FILOT Agreement, and (3) the fair market value of the Project, determined in accordance with the Act.

Section 3. As reimbursement for the Company's investment in certain Special Source Improvements and in consideration of the \$10,000,000 minimum investment specified herein and the anticipated employment to be created by the Project, the County agrees that the Company shall be entitled to claim Special Source Credits in an amount up to twenty-five percent (25%) of each of the first five (5) net (after deducting, prior to application of said Credit, the one percent (1%) fee otherwise payable by the County to the partner county in the multi-county park referenced in Section 2.4 below) FILOT Payments with respect to the Project.

If the Company fails to invest or cause to be invested in the Project at least \$10,000,000 by the end of the Statutory Compliance Period, the County reserves the right to terminate or adjust the Special Source Credits thereafter accruing, if any.

In no event shall the aggregate amount of the Special Source Credits exceed the amount heretofore or hereafter expended by the Company with respect to Special Source Improvements relating to the Project.

Section 4. The County will diligently take all reasonable acts to insure that the Project will be included, and will remain, within the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act on terms which provide, for all jobs created by the Company in the County during the Investment Period, any additional jobs tax credits afforded by the laws of the State for projects located in multi-county industrial or business parks and which facilitate the Special Source Credits described herein.

Section 5. The form, provisions, terms, and conditions of the FILOT Agreement presented to this meeting and filed with the Clerk to Council be and they are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated

herein by reference as if the FILOT Agreement were set out in this Ordinance in its entirety.

Section 6. The form, terms and provisions of the Inducement Agreement heretofore entered into by the County and the Company are hereby ratified and approved, and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if the Inducement Agreement were set out in this Ordinance in its entirety.

Section 7. The FILOT Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the FILOT Agreement now before this meeting.

Section 8. The Chairman of the Council and the Clerk to County Council, for and on behalf of the County, is hereby authorized, empowered, and directed to do any and all things necessary or proper to effect the execution and delivery of the Inducement Agreement and the FILOT Agreement, the performance of all obligations of the County under and pursuant to the Inducement Agreement and the FILOT Agreement, and to carry out the transactions contemplated thereby and by this Ordinance.

Section 9. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 10. All orders, resolutions, ordinances, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

[End of Ordinance; execution page to follow.]

Enacted and approved this _____ day of May, 2005.

OCONEE COUNTY, SOUTH CAROLINA

By: _____
H. Frank Ables, Jr., Chairman of County Council
Oconee County, South Carolina

[SEAL]

Attest:

By: _____
Opal O. Green, Clerk to County Council
Oconee County, South Carolina

First Reading: April 5, 2005
Second Reading: April 19, 2005
Public Hearing: May 3, 2005
Third Reading: May 3, 2005

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC
COUNCIL MEETING DATE: 5/3/05
COUNCIL MEETING TIME: 7:00 pm

ITEM TITLE OR DESCRIPTION:

Second Reading of Ordinance 2005-08, "AN ORDINANCE TO AMEND THE JOINTLY OWNED AND OPERATED INDUSTRIAL/BUSINESS PARK IN CONJUNCTION WITH PICKENS COUNTY, DATED MAY 4, 1998 AND AMENDED ON DECEMBER 7, 1998, ON DECEMBER 21, 1999, APRIL 4, 2000 AND AUGUST 3, 2003; SUCH INDUSTRIAL/BUSINESS PARK BEING GEOGRAPHICALLY LOCATED IN PICKENS COUNTY AND OCONEE COUNTY AND ESTABLISHED PURSUANT TO SOUTH CAROLINA CODE OF LAWS OF 1976 §4-1-170, ET SEQUITUR, AS AMENDED; TO PROVIDE FOR A WRITTEN AGREEMENT WITH PICKENS COUNTY PROVIDING FOR THE EXPENSES OF THE PARK, THE PERCENTAGE OF REVENUE APPLICATION, AND THE DISTRIBUTION OF FEES IN LIEU OF AD VALOREM TAX TO THE COUNTIES AND RELEVANT TAXING ENTITIES; AND, TO PROVIDE THAT JOBS TAX CREDITS ALLOWED BY LAW BE PROVIDED FOR INDUSTRIES LOCATING IN SAID PARK, AND TO PERMIT A USER FEE IN LIEU OF AD VALOREM TAXATION"

BACKGROUND OR HISTORY:

C. G. Roxane LLC has requested that the two parcels of land it owns in Oconee County be placed in our multi-county park with Pickens County.

SPECIAL CONSIDERATIONS OR CONCERNS:

Industries in multi-county parks do not pay ad valorem taxes to counties, but they do pay fee-in-lieu of taxes.

STAFF RECOMMENDATION FOR COUNCIL ACTION:

Adoption of Ordinance 2005-08 (titled above) on second reading.

FINANCIAL IMPACT:


One percent of fee each year will be sent to Pickens County.

ATTACHMENTS:

Proposed Ordinance
Submitted or Prepared By:

Opal O. Green
Department Head

Approved for Submittal to Council:


Ron H. Rabun, County Administrator

Reviewed By/ Initials:



County Attorney

Finance

Other

C: Clerk to Council

ORDINANCE NO.

AN ORDINANCE TO AMEND THE JOINTLY OWNED AND OPERATED INDUSTRIAL/BUSINESS PARK IN CONTINUATION WITH PICKENS COUNTY, DATED MAY 4, 1998 AND AMENDED ON DECEMBER 7, 1998, ON DECEMBER 21, 1999, APRIL 4, 2000, and _____, 2003; SUCH INDUSTRIAL/BUSINESS PARK BEING GEOGRAPHICALLY LOCATED IN PICKENS COUNTY AND OCONEE COUNTY AND ESTABLISHED PURSUANT TO SOUTH CAROLINA CODE OF LAWS OF 1976 §4-1-170, ET SEQUITUR, AS AMENDED; TO PROVIDE FOR A WRITTEN AGREEMENT WITH PICKENS COUNTY PROVIDING FOR THE EXPENSES OF THE PARK, THE PERCENTAGE OF REVENUE APPLICATION, AND THE DISTRIBUTION OF FEES IN LIEU OF AD VALOREM TAX TO THE COUNTIES AND RELEVANT TAXING ENTITIES, AND, TO PROVIDE THAT JOBS TAX CREDITS ALLOWED BY LAW BE PROVIDED FOR INDUSTRIES LOCATING IN SAID PARK AND TO PERMIT A USER FEE IN LIEU OF AD VALOREM TAXATION.

WHEREAS, Oconee County, South Carolina and Pickens County, South Carolina (jointly the "Counties") are authorized under Article VIII, Section 13 of the South Carolina Constitution to jointly develop an industrial or business park within the geographical boundaries of one or more of the member Counties; and

WHEREAS, in order to promote the economic welfare of the citizens of the Counties by providing employment and other benefits to the citizens of the Counties, Oconee County, South Carolina entered into an agreement with Pickens County, South Carolina to develop jointly an industrial and business park (the "Park") as provided by Article VIII, Section 13 of the South Carolina Constitution and in accordance with Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended, (the "Act");

WHEREAS, the Counties executed an Agreement for Development for Joint County Industrial Park dated May 4, 1998 (the "Agreement") and amended on December 7, 1998 (the "First Amended Agreement") and amended on December 21, 1999 (the "Second Amended Agreement") and amended on April 4, 2000 (the "Third Amended Agreement") (jointly referred to herein as the "Agreement") and amended on _____, 2003 (the "Fourth Amended Agreement") and the Counties now wish to amend the Agreement;

NOW, THEREFORE, BE IT ORDAINED BY THE OCONEE COUNTY COUNCIL:

SECTION I Oconee County is hereby authorized to amend the Agreement so as to expand the Park premises located within Oconee County and Pickens County. The form

of the fifth amended joint industrial park agreement (the "Fifth Amended Agreement") is attached hereto, and all terms of the Agreement, First Amended Agreement, Second Amended Agreement, Third Amended Agreement and Fourth Amended Agreement are incorporated herein. The form, terms and provisions of the Fifth Amended Agreement presented to this meeting and filed with the Clerk to the County Council be and they are hereby approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fifth Amended Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council and the Clerk to the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fifth Amended Agreement in the name and on behalf of the County. The Fifth Amended Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Fifth Amended Agreement now before this meeting.

SECTION II. The maximum tax credits allowable by South Carolina Code of Laws, 1976, Section 12-6-3360, as amended, will apply to any business enterprise located in the Park.

SECTION III. Any business enterprise locating in the Park shall pay a fee in lieu of ad valorem taxes as provided for in the Agreement, as amended, Article VIII, Section 15 of the South Carolina Constitution and the Act. The user fee paid in lieu of ad valorem taxes shall be paid to the county treasurer for the county in which the premises is located. That portion of the fees from the Park premises located in Pickens County and allocated pursuant to the Agreement, as amended, to Oconee County shall be paid by the Pickens County Treasurer to the Oconee County Treasurer within five business days of receipt for distribution, such distribution shall be made in accordance with the Agreement. That portion of the fees from the Park premises located in Oconee County and allocated pursuant to the Agreement, as amended, to Pickens County shall be paid by the Oconee County Treasurer to the Pickens County Treasurer within five business days of receipt for distribution, such distribution shall be made in accordance with Agreement, as amended. Payments shall be made by a business or industrial enterprise on or before the due date for taxes for a particular year. Penalties for late payment will be at the same rate and at the same times as for late tax payment. Any late payment beyond said date will accrue interest at the rate of statutory judgment interest. The Counties, acting by and through the county tax collector for the county where the premises is located, shall maintain all liens and rights to foreclose upon liens provided for the counties in the collection of ad valorem taxes.

SECTION IV. The administration, development, promotion, and operation of the Park shall be the responsibility of the county in which each premises of the Park is located. Provided, that to the extent any Park premises is owned by a private developer, the developer shall be responsible for development expenses as contained in the Agreement, as amended.

SECTION V. In order to avoid any conflict of laws or ordinances between the Counties, the Oconee County ordinances will be the reference for such regulations or laws in connection with the Park premises located within Oconee County and the Pickens County ordinances will be the reference for such regulations or laws in connection with the Park premises located within Pickens County. Nothing herein shall be taken to supersede any state or federal law or regulation. The county in which the premises is located is specifically authorized to adopt restrictive covenants and land use requirements for the Park at the county's sole discretion.

SECTION VI. The Sheriff's Department for the county within the Park premises is located will have initial jurisdiction to make arrests and to exercise all authority and power within the boundaries of the Park premises located within each county, and fire, sewer, water and EMS services will be provided by the service district within whose jurisdiction the Park premises are located.

SECTION VII. Should any section of this Ordinance be, for any reason, held void or invalid, it shall not affect the validity of any other section hereof which is not itself void or invalid.

SECTION VIII. The Agreement, as amended, may not be terminated except by concurrent ordinances of Oconee County Council and Pickens County Council. In any event, this Ordinance shall terminate twenty (20) years from the date of its execution by both parties.

SECTION IX. Oconee County hereby designates the following distribution of the portion of the fee-in-lieu of *ad valorem* taxes received by Oconee County pursuant to the Agreement, as amended, for Park premises located in Pickens County.

Oconee County, South Carolina	100%
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SECTION X. Oconee County hereby designates that the distribution of the fee in lieu of *ad valorem* taxes pursuant to the Agreement received by Oconee County for Park premises located in Oconee County be paid to each of the taxing entities in Oconee County which levy an *ad valorem* property tax in any of the areas comprising the Oconee Park in the same percentage as is equal to that taxing entity's percentage of the millage rate being levied in the then current tax year for the property tax purposes, provided that the County may, from time to time, by ordinance, amend the distribution of the fee in lieu of tax payments to all taxing entities. A portion of the fee in lieu of *ad valorem* taxes which Oconee County receives pursuant to the Agreement, as amended, for Park premises may be, from time to time and by ordinance of Oconee County Council or its successor, designated for the payment of Special Source Revenue Bonds issued pursuant to Sections 4-1-175 and 4-29-68 of the South Carolina Code of Laws, 1976, as amended or an Infrastructure Tax Credit issued pursuant to Section 4-1-175, as amended.

SECTION XI. The Ordinance shall be effective after third and final reading and publication.

Passed and approved this _____ day of _____, 2005

OCCONEE COUNTY, SOUTH CAROLINA

By _____
Frank Ables, Chairman of County Council
Oconee County, South Carolina

By _____
Opal O. Green, Clerk of County Council
Oconee County, South Carolina

First Reading:
Second Reading:
Public Hearing:
Third Reading:

**OCONEE COUNTY COUNCIL
PROCLAMATION**

WHEREAS, the month of May 2005 has been designated Teen Pregnancy Prevention Month by the National Campaign to Prevent Teen Pregnancy, the South Carolina Campaign to Prevent Teen Pregnancy and IMPACT; and

WHEREAS, it is estimated that in 2005 there will be approximately 141 teen pregnancies in Oconee County, having significant consequences in the health, economic and educational future for our youth and therefore, affecting our entire community; and

WHEREAS, Oconee County ranks 10th in the state for highest number of teen pregnancies between the ages of 15-17; and

WHEREAS, in a 2003 study by John Hopkins University it was estimated that the total economic cost for 1995-2000 amounts to \$1.135 billion dollars spent in South Carolina to provide direct and indirect services for teen pregnancy; and

WHEREAS, boys born to teen mothers are three times more likely to end up in prison, less than one third of girls that begin their family as teens ever complete high school; creating a social disparity for the citizens of Oconee County; and

WHEREAS, Oconee County can work to prevent this social disparity by endeavoring to assist in addressing the issue of teen pregnancies and allowing our youth to grow into responsible, successful adults.

NOW THEREFORE, WE, the Oconee County Council, in session duly assembled this 3rd day of May, 2005 do hereby proclaim May 2005 as:

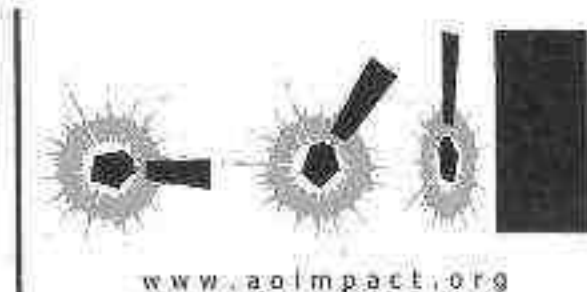
TEEN PREGNANCY PREVENTION MONTH

In Oconee County and urge all citizens to enhance their awareness of the impact of teen pregnancy and become familiar with the services offered by IMPACT in the community.

H. Frank Ables, Jr., Chair
Oconee County Council

Attest:

Opal O. Green, Clerk
Oconee County Council



April 26, 2005

Oconee County Council
ATTN: Opal O. Green, Clerk to Court
415 South Pine Street
Walhalla, South Carolina 29691

Dear Ms. Green,

IMPACT is a non-profit organization that seeks to reduce the number of teen pregnancies through awareness, education and youth development programming. Impact would appreciate your support of our efforts to increase awareness of teen pregnancy in your community by issuing a proclamation and supporting your youth on the National Day to Prevent Teen Pregnancy.

IMPACT is requesting that Oconee County issue a proclamation acknowledging May as Teen Pregnancy Prevention Month. We are in the hopes that Oconee County will issue and present a proclamation to the public on May 4, 2005. This year's proclamation will be held at the Anderson County Health Department at 6:00 p.m. At this site, youth and adults will gather in support of Teen Pregnancy Prevention Month and the National Day to Prevent Teen Pregnancy. Youth will also be able to log on and take the quiz sponsored by the National Campaign to Prevent Teen Pregnancy. We would like for your community to proclaim May Teen Pregnancy Prevention Month and participate in taking the quiz with the youth of Oconee County.

Enclosed you will find a sample proclamation, latest teen pregnancy data for Oconee County, and additional information about the online quiz. Please reply if you will be proclaiming May Teen Pregnancy Prevention Month. If you have any questions please feel free to contact our office.

Sincerely,

Polly Edwards
Executive Director

Enc: As stated

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC
COUNCIL MEETING DATE: 5/3/05
COUNCIL MEETING TIME: 7:00 pm

ITEM TITLE OR DESCRIPTION:

Teen Pregnancy Prevention Proclamation

BACKGROUND OR HISTORY:

IMPACT is a nonprofit organization seeking to reduce the number of teen pregnancies through awareness, education and youth development programming. IMPACT is requesting the Oconee County Council to adopt a Teen Pregnancy Prevention Proclamation. We have invited Ms. Polly Edwards, Executive Director to attend the Council Meeting.

SPECIAL CONSIDERATIONS OR CONCERNS:

The Anderson County Health Department will have a site where youth can log on and take the quiz sponsored by the National Campaign to Prevent Teen Pregnancy.

STAFF RECOMMENDATION FOR COUNCIL ACTION:

Adoption of the proclamation.

FINANCIAL IMPACT:

Positive for the County.

ATTACHMENTS:

Proposed Proclamation & correspondence from IMPACT

Submitted or Prepared By:

Opal O. Green
Department Head

Approved for Submittal to Council:


Ron H. Rabun, County Administrator

Reviewed By/ Initials:

_____ County Attorney

_____ Finance

_____ Other

C: Clerk to Council

The National Day to Prevent Teen Pregnancy

Learn More!

Score

May 5, 2004

What is the National Day to Prevent Teen Pregnancy?

The third annual National Day to Prevent Teen Pregnancy takes place on May 5, 2004. This year's theme for the National Day is to focus the attention of teens on the "four pillars" of preventing teen pregnancy and other serious consequences of sex. On the National Day, teens nationwide are asked to take a short, online quiz that asks them to reflect on the next course of action in a number of local sexual situations.

Who Sponsors the National Day?

The National Day is sponsored by the people, through the National Campaign to Prevent Teen Pregnancy and supported by National Day Building Partners: Teen People magazine and teenpeople.com



Why a National Day to Prevent Teen Pregnancy?

Despite encouraging declines in teen pregnancy and birth rates over the past decade, 98% of young women in the U.S. still become pregnant at least once by age 20. Too many teens still think it won't happen to me. The National Day Quiz helps young people understand that it can happen to them.

*"The National Day Quiz made me think about what I would do if I were really in some of the situations described."
- 16-year-old boy*

How Do Teens Participate?

By simply logging into www.teenpregnancy.org and taking the National Day Quiz. The online Quiz will become available on May 5, 2004 (and will be available in English and Spanish). A hard copy version of the Quiz test will also be available so that teens without internet access can still participate.

WWW.TEENPREGNANCY.ORG

Making a Difference



Teen Pregnancy is one of those things that nobody thinks will ever happen to them and this Quiz gives real good examples of those 'in the heat of the moment' decisions.

- 17-year-old boy

A survey of some of the teens that participated in the 2003 National Day indicates:

- 57% of teens said that the National Day Quiz made the consequences of sex more real to them.
- 70% said the Quiz made them think about what they would do in such situations.
- 46% said they learned something new from the Quiz.
- Nearly half said they would discuss issues raised in the Quiz with their friends.

National Day Results

In 2003...

- ✓ Nearly 300,000 teens in all 50 states took the National Day Quiz.
- ✓ 153 prominent national organizations, media outlets, businesses, and youth groups signed on as official National Day Partners, and
- ✓ National Day activities took place in hundreds of communities nationwide.

How You Can Help

Websites

Plan to really promote the National Day of Year 2016. Provide related content about with previous year's content in a link up blog series.

National Organizations

Regions or National Day Month, spread the word through your history, newsletter and website, and buzz in members prior to the date and be a part of the celebration.

Local Organizations

Have computer access to Facebook, participate, make the National Day 2016 event a shared event with your local history society, and do an in-person welcome to our local week, website about year 2016, and create a Facebook channel and make it a reality.

Businesses

Consider sponsoring the National Day or provide an online link to the website about year 2016.

Policymakers

Local, state, and federal support of the National Day, and on a local level, provide support, and the National Day is a great time to make a new statement for your community.

Parents

Line up your children to be the Quiz on the Quiz in a community event, just display the year, and the quiz, and other are about the National Day.

Top 5 Ways to Recognize the National Day

1. Provide a link to the National Day Quiz on your website.
2. Ask others about the National Day through letters and party hats.
3. Distribute National Day promotional materials.
4. Make a financial contribution to the National Campaign.
5. Stay informed, sign up to receive regular updates about National Day plans and resources.

How We Can Help You

Here are some of the resources available to help promote the National Day. All will be available on the National Day website at www.nationalday.org/national.

National Day postcards, pins, stickers, and temporary tattoos

Sample newsletter and history notes

National Day web banners

Sample press releases

Generic and customizable print public service announcements (PSAs)

Sample PSA radio scripts

One-page or ideas to help you promote the National Day

Quiz discussion guide

"The National Day Quiz was awesome. I finally thought for myself without all the pressure from my friends."
- 15-year-old girl

For More Information

Go to the National Day website, www.nationalday.org, and find press kits, public service announcements, and other resources to help you promote the National Day with style.

National Day Partners

In 2003, 150 national organizations joined as official National Day Partners. Being an official partner of the National Day is easy. National organizers, media outlets and websites simply grant the National Day logo to a Free-Of-Charge membership, permission to use their name and logo on National Day materials and agree to promote the National Day That Day. The National Campaign, in turn, makes possible the National Day logo solely by providing interested members to help spread the word. The National Day is organized to be a continuous effort, not a one-time event, and needs associated to the many service agencies that have been responsible for its organization. If you're interested in national organization and are interested in becoming a National Day Partner, please email marketing@teenpregnancy.org

Examples of 2003 National Day Partners

Media Powerhouses

Funding Partners: Teen People Teen People Online

MS Network
MTV.com
Rocky Media

Clubs One
Entertainment Weekly
Bobcat Goldsamt's Celebrity Circle

Max Magazines Digital
Sony Pictures Network
Rocky Media

Top-Tech Websites

LAUNCH: Your National Week Experience

GET.com
Rocky Media
WebMD.com

beep.com
gulf.com
HealthWeek.com

Health Sector Leaders

Centers for Disease Control and Prevention
American College of Obstetrics and Gynecology

International Commission on Women's Health
Society for Adolescent Medicine
American Academy of Pediatrics
American College of Obstetrics and Gynecology

Rain-Related Groups

Child Research
Cooperative Group

International Union of Pure and Applied Chemistry
U.S. Environmental Protection Agency

Youth-Related Groups

Gay, Lesbian, Bisexual and Transgender Community Center
National Gay and Lesbian Task Force

United Church of Christ
The Family Violence Prevention Fund
Youth for Peace

Groups Representing State Officials

National Governors' Association
National Association of State Attorneys General

Association of State Attorneys General
National Governors' Association
National Association of State Attorneys General
U.S. Department of Justice

Education Leaders

National School Boards Association
National Education Association
National Association of State School Boards

Association of State School Boards
American Psychological Association
American Educational Research Association
American Psychological Association

Association of State School Boards
National Education Association
National Association of State School Boards
U.S. Department of Education
U.S. Department of Health and Human Services
U.S. Department of Justice
U.S. Department of Labor

2005 UPDATE: South Carolina Teenage Pregnancy Data

County	Ages 10-14			Ages 15-17			Ages 18-19		
	Total Teenage Pregnancies	Abortions	Births	Total Teenage Pregnancies	Abortions	Births	Total Teenage Pregnancies	Abortions	Births
Adairsville	61	35	26	1	1	0	16	11	5
Albin	929	11	918	4	4	0	103	20	83
Albemarle	67	7	60	1	1	0	23	22	1
Anderson	375	5	370	2	2	0	143	90	53
Bamberg	95	24	71	0	0	0	15	11	4
Beaufort	341	0	341	0	0	0	128	20	108
Bladen	354	0	354	0	0	0	138	20	118
Calhoun	9	0	9	1	1	0	7	7	0
Charleston	71	1	70	12	10	2	224	103	121
Cherokee	138	18	120	1	1	0	53	45	8
Chesler	138	0	138	0	0	0	36	24	12
Cherokee	100	23	77	0	0	0	20	25	5
Clarendon	67	31	36	0	0	0	18	15	3
Columbia	150	98	52	0	0	0	98	89	9
Conroe	144	0	144	0	0	0	39	34	5
Dillon	118	24	94	0	0	0	40	35	5
Durham	219	15	204	0	0	0	62	44	17
Florence	72	0	72	1	1	0	38	14	24
Georgetown	26	0	26	0	0	0	21	22	0
Greenville	828	11	817	6	6	0	111	101	10
Hampton	110	20	90	1	1	0	43	30	13
Horry	653	0	653	0	0	0	255	18	237
Irleton	122	17	105	0	0	0	45	33	12
Jackson	55	5	50	0	0	0	19	15	4
King	200	0	200	0	0	0	139	94	45
Lancaster	78	34	44	0	0	0	26	27	0
Laurens	150	25	125	0	0	0	47	32	15
Lexington	127	0	127	0	0	0	38	35	3
Lincoln	172	17	155	0	0	0	65	54	11
Lowndes	25	0	25	0	0	0	21	17	4
Madison	448	0	448	0	0	0	55	34	21
Marion	16	0	16	0	0	0	8	8	0
Mecklenburg	165	27	138	1	1	0	87	35	52
Monroe	32	0	32	0	0	0	20	20	0
Murphy	11	0	11	0	0	0	8	8	0
Newberry	983	0	983	0	0	0	87	26	61
Oconee	141	0	141	0	0	0	10	10	0
Oxford	301	14	287	0	0	0	28	25	3
Piedmont	305	10	295	0	0	0	71	57	14
Richland	983	0	983	0	0	0	256	153	103
Saluda	40	49	0	1	1	0	12	8	4
Shelby	514	0	514	17	1	16	230	181	49
Union	30	0	30	0	0	0	65	30	35
York	50	0	50	1	1	0	27	24	3
York	79	25	54	1	1	0	20	15	5
York	17	0	17	0	0	0	10	10	0
South Carolina	5513	254	5259	32	32	1	1220	733	487

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COUNTY RATES & RANKINGS OF ESTIMATED PREGNANCIES (per 1,000) BY AGE GROUP

County	Ages 10-14		Ages 15-19		Ages 20-24		Ages 25-29		Ages 30-34		Ages 35-39		Ages 40-44		Ages 45-49		Ages 50-54		Ages 55-59		Ages 60-64		Ages 65-69		Ages 70-74		Ages 75-79		Ages 80-84		Ages 85-89		Ages 90-94		Ages 95-99	
	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank
ALL-PURPOSE	89.0	1	61.0	1	45.0	1	35.0	1	25.0	1	15.0	1	10.0	1	5.0	1	3.0	1	2.0	1	1.5	1	1.0	1	0.5	1	0.3	1	0.2	1	0.1	1	0.1	1	0.1	1
ALBANY	95.2	2	67.0	2	50.0	2	38.0	2	28.0	2	18.0	2	12.0	2	7.0	2	4.0	2	2.5	2	1.8	2	1.2	2	0.6	2	0.4	2	0.3	2	0.2	2	0.1	2	0.1	2
ALBUQUERQUE	90.5	3	65.0	3	48.0	3	36.0	3	26.0	3	16.0	3	11.0	3	6.0	3	3.5	3	2.2	3	1.6	3	1.1	3	0.5	3	0.3	3	0.2	3	0.1	3	0.1	3	0.1	3
ALBUQUERQUE	88.5	4	63.0	4	46.0	4	34.0	4	24.0	4	14.0	4	10.0	4	5.0	4	3.0	4	1.9	4	1.4	4	0.9	4	0.4	4	0.2	4	0.1	4	0.1	4	0.1	4	0.1	4
ALBUQUERQUE	86.5	5	61.0	5	44.0	5	32.0	5	22.0	5	12.0	5	9.0	5	4.0	5	2.5	5	1.7	5	1.3	5	0.8	5	0.3	5	0.2	5	0.1	5	0.1	5	0.1	5	0.1	5
ALBUQUERQUE	84.5	6	59.0	6	42.0	6	30.0	6	20.0	6	10.0	6	8.0	6	3.0	6	2.0	6	1.5	6	1.1	6	0.7	6	0.2	6	0.1	6	0.1	6	0.1	6	0.1	6	0.1	6
ALBUQUERQUE	82.5	7	57.0	7	40.0	7	28.0	7	18.0	7	8.0	7	7.0	7	2.0	7	1.5	7	1.1	7	0.8	7	0.6	7	0.1	7	0.1	7	0.1	7	0.1	7	0.1	7	0.1	7
ALBUQUERQUE	80.5	8	55.0	8	38.0	8	26.0	8	16.0	8	6.0	8	6.0	8	1.5	8	1.2	8	0.9	8	0.7	8	0.5	8	0.1	8	0.1	8	0.1	8	0.1	8	0.1	8	0.1	8
ALBUQUERQUE	78.5	9	53.0	9	36.0	9	24.0	9	14.0	9	4.0	9	5.0	9	1.0	9	0.9	9	0.7	9	0.6	9	0.4	9	0.1	9	0.1	9	0.1	9	0.1	9	0.1	9	0.1	9
ALBUQUERQUE	76.5	10	51.0	10	34.0	10	22.0	10	12.0	10	3.0	10	4.0	10	0.5	10	0.7	10	0.5	10	0.4	10	0.3	10	0.1	10	0.1	10	0.1	10	0.1	10	0.1	10	0.1	10
ALBUQUERQUE	74.5	11	49.0	11	32.0	11	20.0	11	10.0	11	2.0	11	3.0	11	0.2	11	0.6	11	0.4	11	0.3	11	0.2	11	0.1	11	0.1	11	0.1	11	0.1	11	0.1	11	0.1	11
ALBUQUERQUE	72.5	12	47.0	12	30.0	12	18.0	12	8.0	12	1.0	12	2.0	12	0.1	12	0.5	12	0.3	12	0.2	12	0.1	12	0.1	12	0.1	12	0.1	12	0.1	12	0.1	12	0.1	12
ALBUQUERQUE	70.5	13	45.0	13	28.0	13	16.0	13	6.0	13	0.5	13	1.5	13	0.0	13	0.4	13	0.2	13	0.1	13	0.1	13	0.1	13	0.1	13	0.1	13	0.1	13	0.1	13	0.1	13
ALBUQUERQUE	68.5	14	43.0	14	26.0	14	14.0	14	4.0	14	0.2	14	1.0	14	0.0	14	0.3	14	0.1	14	0.1	14	0.1	14	0.1	14	0.1	14	0.1	14	0.1	14	0.1	14	0.1	14
ALBUQUERQUE	66.5	15	41.0	15	24.0	15	12.0	15	2.0	15	0.1	15	0.5	15	0.0	15	0.2	15	0.1	15	0.1	15	0.1	15	0.1	15	0.1	15	0.1	15	0.1	15	0.1	15	0.1	15
ALBUQUERQUE	64.5	16	39.0	16	22.0	16	10.0	16	1.0	16	0.0	16	0.2	16	0.0	16	0.1	16	0.1	16	0.1	16	0.1	16	0.1	16	0.1	16	0.1	16	0.1	16	0.1	16	0.1	16
ALBUQUERQUE	62.5	17	37.0	17	20.0	17	8.0	17	0.5	17	0.0	17	0.1	17	0.0	17	0.1	17	0.1	17	0.1	17	0.1	17	0.1	17	0.1	17	0.1	17	0.1	17	0.1	17	0.1	17
ALBUQUERQUE	60.5	18	35.0	18	18.0	18	6.0	18	0.2	18	0.0	18	0.0	18	0.0	18	0.0	18	0.1	18	0.1	18	0.1	18	0.1	18	0.1	18	0.1	18	0.1	18	0.1	18	0.1	18
ALBUQUERQUE	58.5	19	33.0	19	16.0	19	4.0	19	0.1	19	0.0	19	0.0	19	0.0	19	0.0	19	0.1	19	0.1	19	0.1	19	0.1	19	0.1	19	0.1	19	0.1	19	0.1	19	0.1	19
ALBUQUERQUE	56.5	20	31.0	20	14.0	20	2.0	20	0.0	20	0.0	20	0.0	20	0.0	20	0.0	20	0.1	20	0.1	20	0.1	20	0.1	20	0.1	20	0.1	20	0.1	20	0.1	20	0.1	20
ALBUQUERQUE	54.5	21	29.0	21	12.0	21	1.0	21	0.0	21	0.0	21	0.0	21	0.0	21	0.0	21	0.1	21	0.1	21	0.1	21	0.1	21	0.1	21	0.1	21	0.1	21	0.1	21	0.1	21
ALBUQUERQUE	52.5	22	27.0	22	10.0	22	0.5	22	0.0	22	0.0	22	0.0	22	0.0	22	0.0	22	0.1	22	0.1	22	0.1	22	0.1	22	0.1	22	0.1	22	0.1	22	0.1	22	0.1	22
ALBUQUERQUE	50.5	23	25.0	23	8.0	23	0.2	23	0.0	23	0.0	23	0.0	23	0.0	23	0.0	23	0.1	23	0.1	23	0.1	23	0.1	23	0.1	23	0.1	23	0.1	23	0.1	23	0.1	23
ALBUQUERQUE	48.5	24	23.0	24	6.0	24	0.1	24	0.0	24	0.0	24	0.0	24	0.0	24	0.0	24	0.1	24	0.1	24	0.1	24	0.1	24	0.1	24	0.1	24	0.1	24	0.1	24	0.1	24
ALBUQUERQUE	46.5	25	21.0	25	4.0	25	0.0	25	0.0	25	0.0	25	0.0	25	0.0	25	0.0	25	0.1	25	0.1	25	0.1	25	0.1	25	0.1	25	0.1	25	0.1	25	0.1	25	0.1	25
ALBUQUERQUE	44.5	26	19.0	26	2.0	26	0.0	26	0.0	26	0.0	26	0.0	26	0.0	26	0.0	26	0.1	26	0.1	26	0.1	26	0.1	26	0.1	26	0.1	26	0.1	26	0.1	26	0.1	26
ALBUQUERQUE	42.5	27	17.0	27	1.0	27	0.0	27	0.0	27	0.0	27	0.0	27	0.0	27	0.0	27	0.1	27	0.1	27	0.1	27	0.1	27	0.1	27	0.1	27	0.1	27	0.1	27	0.1	27
ALBUQUERQUE	40.5	28	15.0	28	0.5	28	0.0	28	0.0	28	0.0	28	0.0	28	0.0	28	0.0	28	0.1	28	0.1	28	0.1	28	0.1	28	0.1	28	0.1	28	0.1	28	0.1	28	0.1	28
ALBUQUERQUE	38.5	29	13.0	29	0.2	29	0.0	29	0.0	29	0.0	29	0.0	29	0.0	29	0.0	29	0.1	29	0.1	29	0.1	29	0.1	29	0.1	29	0.1	29	0.1	29	0.1	29	0.1	29
ALBUQUERQUE	36.5	30	11.0	30	0.1	30	0.0	30	0.0	30	0.0	30	0.0	30	0.0	30	0.0	30	0.1	30	0.1	30	0.1	30	0.1	30	0.1	30	0.1	30	0.1	30	0.1	30	0.1	30
ALBUQUERQUE	34.5	31	9.0	31	0.0	31	0.0	31	0.0	31	0.0	31	0.0	31	0.0	31	0.0	31	0.1	31	0.1	31	0.1	31	0.1	31	0.1	31	0.1	31	0.1	31	0.1	31	0.1	31
ALBUQUERQUE	32.5	32	7.0	32	0.0	32	0.0	32	0.0	32	0.0	32	0.0	32	0.0	32	0.0	32	0.1	32	0.1	32	0.1	32	0.1	32	0.1	32	0.1	32	0.1	32	0.1	32	0.1	32
ALBUQUERQUE	30.5	33	5.0	33	0.0	33	0.0	33	0.0	33	0.0	33	0.0	33	0.0	33	0.0	33	0.1	33	0.1	33	0.1	33	0.1	33	0.1	33	0.1	33	0.1	33	0.1	33	0.1	33
ALBUQUERQUE	28.5	34	3.0	34	0.0	34	0.0	34	0.0	34	0.0	34	0.0	34	0.0	34	0.0	34	0.1	34	0.1	34	0.1	34	0.1	34	0.1	34	0.1	34	0.1	34	0.1	34	0.1	34
ALBUQUERQUE	26.5	35	1.0	35	0.0	35	0.0	35	0.0	35	0.0	35	0.0	35	0.0	35	0.0	35	0.1	35	0.1	35	0.1	35	0.1	35	0.1	35	0.1	35	0.1	35	0.1	35	0.1	35
ALBUQUERQUE	24.5	36	0.5	36	0.0	36	0.0	36	0.0	36	0.0	36	0.0	36	0.0	36	0.0	36	0.1	36	0.1	36	0.1	36	0.1	36	0.1	36	0.1	36	0.1	36	0.1	36	0.1	36
ALBUQUERQUE	22.5	37	0.2	37	0.0	37	0.0	37	0.0	37	0.0	37	0.0	37	0.0	37	0.0	37	0.1	37	0.1	37	0.1	37	0.1	37	0.1	37	0.1	37	0.1	37	0.1	37	0.1	37
ALBUQUERQUE	20.5	38	0.1	38	0.0	38	0.0	38	0.0	38	0.0	38	0.0	38	0.0	38	0.0	38	0.1	38	0.1	38	0.1	38	0.1	38	0.1	38	0.1	38	0.1	38	0.1	38	0.1	38
ALBUQUERQUE	18.5	39	0.0	39	0.0	39	0.0	39	0.0	39	0.0	39	0.0	39	0.0	39	0.0	39	0.1	39	0.1	39	0.1	39	0.1	39	0.1	39	0.1	39	0.1	39	0.1	39	0.1	39
ALBUQUERQUE	16.5	40	0.0	40	0.0	40	0.0	40	0.0	40	0.0	40	0.0	40	0.0	40	0.0	40	0.1	40	0.1	40	0.1	40	0.1	40	0.1	40	0.1	40	0.1	40	0.1	40	0.1	40
ALBUQUERQUE	14.5	41	0.0	41	0.0	41	0.0	41	0.0	41	0.0	41	0.0	41	0.0	41	0.0	41	0.1	41	0.1	41	0.1	41	0.1	41	0.1	41	0.1	41	0.1	41	0.1	41	0.1	41
ALBUQUERQUE	12.5	42	0.0																																	

PROCLAMATION BY OCONEE COUNTY COUNCIL

WHEREAS, the month of May 2005 has been designated Teen Pregnancy Prevention Month by the National Campaign to Prevent Teen Pregnancy, the South Carolina Campaign to Prevent Teen Pregnancy and IMPACT; and

WHEREAS, it is estimated that in 2005 there will be approximately 141 teen pregnancies in Oconee County, having significant consequences in the health, economic and educational future for our youth and therefore, affecting our entire community; and

WHEREAS, Oconee County ranks 10th in the state for highest number of teen pregnancies between the ages of 15-17; and

WHEREAS, in a 2003 study by John Hopkins University it was estimated that the total economic cost for 1995-2000 amounts to 1.135 billion dollars were spent in South Carolina to provide direct and indirect services for teen pregnancy; and

WHEREAS, boys born to teen mothers are three times more likely to end up in prison, less than one third of girls that begin their family as teens ever complete high school, creating a social disparity for the citizens of Oconee County; and

WHEREAS, Oconee County can work to prevent this social disparity by endeavoring to assist in addressing the issue of teen pregnancies and allowing our youth to grow into responsible, successful, adults;

NOW THEREFORE, WE, Oconee County Council do hereby proclaim in meeting duly assembled, the month of May 2005, as:

TEEN PREGNANCY PREVENTION MONTH

In Oconee County and urge all citizens to enhance their awareness of the impact of teen pregnancy and become familiar with the services offered by IMPACT in the community.

Steven R. Moore, District 1

Thomas S. Crumpton, Jr., District 2

William Rinehart, District 3

Marion E. Lyles, District 4

H. Frank Ables Jr., District 5

Opal O. Green, Clerk to Council



Oconee County
Administrator's
Office




Ron H. Rabun
County Administrator

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Sandra A. Smith
Administrative Assistant
sandrasmith@occonecsc.com

TO: Oconee County Council
FROM: Ron H. Rabun, Administrator 
DATE: May 3, 2005
RE: FY 2005-2006 Budget Schedule

The purpose of this memo is to update the Council on the schedule for submission of my recommended budget. I am also aware of the Council requirement by Ordinance 2003-11 for submission of the budget by April 1 of each year.

Because of the April 1 deadline, I addressed the council in the minutes of the March 1, 2005 meeting and asked for more time to properly prepare the budget. I have had Opal Green, Clerk to Council, listen to the tapes of that meeting which I will paraphrase below:

(Rabun) - "... The April 1 deadline is a little earlier than I have ever... been required to produce a budget... in most places I deliver the budget to Council May 1, or so... this will still give you almost sixty (60) days to work... before the new fiscal year. So, if you will not hold me fast to the April 1 date, and give me a little extra time, I think it will be worth your while... so I can get you a good product. We'll still have all the workshops you want... We'll have plenty of time in the workshops to work on the budget and ask questions... you won't get cut short on your policy role."

And please remember, that this budget will be different than in the past. It will be reviewed and analyzed in far more detail than in the past, so that you won't have to "wade thru" all the spending proposals as in past years, I have done most of this for you in advance. It should go smoother than in past years.

Last year's budget submission schedule was:

- May 4th - Budget delivered to Council
- May 11th - First reading of budget ordinance
- May 25th - Second reading of budget ordinance
- June 15th - Public hearing of budget ordinance
- June 22nd - Third reading and budget adoption

The schedule I am planning for this year is:

- May 9th - Rabun delivers budget to Council
- May 16th (1 - 4 p.m.) - First workshop on budget.



- May 17th (12 - 2:30 p.m.) - Second workshop on budget
- May 20th (9:30 - 12 Noon) - Third workshop on budget
- May 24th (9:30 - 12 Noon) - Fourth workshop on budget (if needed)
- June 7th - First reading of budget ordinance
- June 14th (7 p.m. special meeting) - public hearing and Second reading
- June 21st - Third reading and budget adoption

As you can see, this is a similar schedule to last year's:

Please let me know if you have any concerns or questions: